

**REPORT and RESOLUTIONS
OF THE TWENTIETH SESSION
OF THE COMCEC
Istanbul, 23 - 27 November 2004**

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Ankara, November 2004

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TABLE OF CONTENTS

PART ONE

Page

RESOLUTIONS OF THE OIC FORMING THE BASIS AND GUIDING THE ACTIVITIES OF THE STANDING COMMITTEE FOR ECONOMIC AND COMMERCIAL COOPERATION OF THE OIC

Resolution adopted at the Third Islamic Summit Conference Establishing the Standing Committees of the OIC chaired by Heads of States.....	11
Final Communique of the Fourth Islamic Summit Conference Entrusting the Chairmanship of the Standing Committee for Economic and Commercial Cooperation to the President of the Republic of Turkey.....	13
Resolution No. 30/10-E (IS) on the Activities of the Standing Committee for Economic and Commercial Cooperation (COMCEC).....	15

PART TWO

LIST OF BASIC DOCUMENTS AND REPORT OF THE TWENTIETH SESSION OF THE STANDING COMMITTEE FOR ECONOMIC AND COMMERCIAL COOPERATION AND OIC ECONOMIC CONFERENCE

List of Basic Documents Considered and/or Presented at the Twentieth Session of the COMCEC and OIC Economic Conference.....	29
Report of the Twentieth Session of the COMCEC and OIC Economic Conference.....	35

ANNEXES

1.	List of Participants of the Twentieth Session of the COMCEC and OIC Economic Conference.....	49
2.	Inaugural Address by H.E. Ahmet Necdet SEZER, President of the Republic of Turkey and Chairman of the COMCEC at the Joint Opening Ceremony.....	73
3.	Address of H.E. Dr. Abdelouahed BELKEZIZ, Secretary General of the Organization of the Islamic Conference at the Joint Opening Ceremony.....	81
4.	Statement by H.E. Sheikh Mohamad Bin Ahmad Bin Jassem AL-THANI, Minister of Economy and Commerce of the State of Qatar at the Joint Opening Ceremony.....	89
5.	Statement by H.E. Mohammad SHARIATMADARI, Minister of Commerce of the Islamic Republic of Iran at the Joint Opening Ceremony.....	95
6.	Statement by H.E. Dr. Mohamadou LABARANG, Permanent Representative at the OIC and Ambassador in Saudi Arabia of the Republic of Cameroon, at the Joint Opening Ceremony.	101
7.	Statement by Dr. Ahmad Mohamed ALI, President of the Islamic Development Bank at the Joint Opening Ceremony.	105
8.	Statement by Mr. M. Rifat HİSARCIKLIOĞLU, President of the Union of Chambers and Commodity Exchanges of the Republic of Turkey at the Joint Opening Ceremony.....	115
9.	Agenda of the Twentieth Session of the COMCEC.....	123
10.	Text of Presentation by H.E. Dr. Ahmet TIKTIK, Undersecretary of the State Planning Organization of the Republic of Turkey and Chairman of the Senior Officials Meeting on the Outcome of the Exchange of Views on "Trade and Transport Facilitation Among the OIC Member Countries.	127

11.	Resolution (1) of the Twentieth Session of the COMCEC.	133
12.	Resolution (2) on Matters Related to Economic Assistance to Some Countries.....	153
13.	Recommendations of the Workshop on "Trade and Transport Facilitation Among the OIC Member Countries".....	177
14.	Report of the Sessional Committee Meeting____	193
15.	Final Communique of the OIC Economic Conference____	201
16.	Message of H.E. Dr. Abdelouahed BELKEZIZ, Secretary General of the Organization of the Islamic Conference to the Joint Closing Ceremony.....	209
17.	Statement by H.E. Kürşad TÜZMEN, Minister of State of the Republic of Turkey at the Joint Closing Ceremony.....	215

PART ONE

RESOLUTIONS OF THE OIC FORMING
THE BASIS AND GUIDING ACTIVITIES
OF THE COMCEC

I

RESOLUTION ADOPTED AT THE THIRD ISLAMIC SUMMIT CONFERENCE ESTABLISHING THE STANDING COMMITTEES OF THE OIC CHAIRED BY HEADS OF STATE

Resolution No. 13/3-P (IS)

The Third Islamic Summit Conference (Palestine and Al-Quds Session), meeting in Mecca Al-Mukarramah, Kingdom of Saudi Arabia, from 19th to 22nd Rabi-AI-Awal. 1401 II. (25-28 January, 1981);

Having listened to the proposals by His Majesty King HASSAN II, Chairman of Al-Quds Committee, that three committees will be established and chaired by the Kings and Presidents of the Islamic States,

Proceeding from a firm belief that joint Islamic action needs to be consolidated in the scientific and technological field, and in the economic and trade sphere,

Prompted by the desire to give information and culture a fresh impetus to help world public opinion understand the basic issues of the Islamic nations, particularly those of Al- Quds and Palestine, and to confront the tendentious campaign launched against Islam and Muslims,

DECIDES:

1. To establish three Standing Committees, the first for scientific and technological cooperation, the second for economic and trade cooperation, and the third for information and cultural affairs;
2. These Committees shall undertake to follow up implementation of the resolutions passed, or about to be passed, by the Islamic Conference in those fields; to study all possible means of strengthening cooperation among Muslim States in those fields, and to draw up programmes and submit proposals designed to increase the Islamic States' capacity in those fields;

3. Each Committee shall consist of the representatives of ten Islamic States, at ministerial level, and shall be chaired by the Head of State of an Islamic State;

4. Members of these Committees shall be elected by the Islamic Foreign Ministers' Conference for a renewable term of three years;

5. A Committee shall hold a meeting, if invited to do so by its Chairman or by a majority of its members; its meeting shall be valid if attended by a majority.

II

FINAL COMMUNIQUE OF THE FOURTH ISLAMIC SUMMIT CONFERENCE ENTRUSTING THE CHAIRMANSHIP OF THE STANDING COMMITTEE FOR ECONOMIC AND COMMERCIAL COOPERATION TO H.E. KENAN EVREN, PRESIDENT OF THE REPUBLIC OF TURKEY

Final Communiqué No. IS/4-84/E/DEC

".... The Conference decided to entrust H.E. Mr. Kenan EVREN, President of the Republic of Turkey, with the Chairmanship of the Permanent Committee on Economic and Commercial Cooperation..." (Page 18, para 40).

III
RESOLUTION NO. 30/10-E (IS) ON
ACTIVITIES UNDER THE AUSPICES OF THE
STANDING COMMITTEE FOR ECONOMIC AND
COMMERCIAL COOPERATION (COMCEC)

The Tenth Session of the Islamic Summit Conference (Session of Knowledge and Morality for the Progress of Ummah) held in Putrajaya, Malaysia, from 20-21 Shaban 1424H (16-17 October 2003),

Recalling Resolution No. 31/9-E (IS) adopted by the Ninth Session of the Islamic Summit Conference;

Also recalling Resolution No. 2/6-E (IS) of the Sixth Session of the Islamic Summit Conference, held in Dakar, Republic of Senegal on 9-11 December 1991 on the activities of the COMCEC mandating it to formulate new Strategies for the enhancement of the Plan of Action to Strengthen Economic and Commercial Cooperation Among OIC Member States and to take appropriate action for its implementation;

Recalling resolution No. 8/7-E(IS) of the Seventh Session of the Islamic Summit Conference, held in Casablanca, Kingdom of Morocco, from 11 to 13 Rajab 1415H (13-15 December 1994) which endorsed the Strategy and the Plan of Action;

Recalling Resolution No. 30/30-E adopted by the Thirtieth Session of the Islamic Conference of Foreign Ministers;

Recalling the resolutions of the Ministerial level meetings in different areas of cooperation held under the auspices of the COMCEC;

Also recalling the resolutions adopted at the eighteenth previous sessions of the COMCEC initiating effective action in economic cooperation among the Member States, particularly in the area of trade;

Noting with appreciation the efforts of the General Secretariat, subsidiary organs, affiliated and specialized institutions of OIC, working in the field of economy and trade, to implement the resolutions of the COMCEC;

Noting with appreciation that the Strategy for Economic and Commercial Cooperation adopted by the COMCEC allows for cooperation among sub-groups of Member States and is based on the principles giving emphasis to private sector, economic liberalisation, integration with the world economy, sanctity of the economic, political, legal and constitutional structures of the Member States and their international obligations.

Also noting with appreciation that the revised Plan of Action is a general and flexible policy document open for improvement during its implementation in accordance with the provisions stipulated in its chapter on Follow-up and Implementation.

Recognizing the importance for the Member States of the new economic configurations emerging at the global level particularly from the creation of regional economic groupings, signing of the Uruguay Round Agreements, and creation of the World Trade Organization and its subsequent Agreements;

Appreciating that, starting with its Eleventh Session, COMCEC serves as a platform where the Ministers of Economy of the Member States could exchange views on current world economic issues and that the topics "Implications of the Uruguay Round of trade Negotiations and the Establishment of the World Trade Organization on the external trade of OIC Member States", "Privatization Experiences in Member States", "Implications of Regional Economic Groupings particularly the European Union on the Economies of Member States", "Intra-OIC Trade and Investment and Economic Stabilisation and Structural Reforms in Member States", "Human Resource Development for Sustained Economic Growth and Poverty Alleviation in the Member States of the OIC", "Strengthening of Small and Medium-Sized Enterprises Facing Globalisation and Liberalisation" "The Effects of Non-tariff Barriers on Foreign Trade of the Member Countries" and "Private Sector Investment in the Member States and the Role of IDB" were the themes for the 11th, 12th, 13th, 14th 15th, 16th 17th and 18th Sessions of the COMCEC, respectively;

Having taken note of the report of the Secretary General;

1. **Stresses** the need for COMCEC to continue to pay utmost attention to coordination and cooperation among Member States with regard to the

membership of new countries that wish to join the World Trade Organization, and to the clarification of positions on the new issues and agreements under consideration within the framework of the WTO with a view to strengthening the negotiating position of these countries at the forthcoming multilateral trade negotiations especially with respect to the built-in agenda and to the new ones.

2. **Expresses satisfaction** that the Islamic Development Bank has successfully carried out the mandate given by COMCEC to organise Coordination Meetings for Member States to consult among themselves and better prepare for the WTO Ministerial Meetings held in Singapore from 9 to 13 December 1996, in Geneva from 18-20 May 1998, in Seattle from 30 November to 03 December 1999, in Doha from 9-14 November, 2001 and in Cancun, Mexico from 10-14 September 2003 respectively with a view to assisting them to adopt a common stand regarding the issues raised in the Agenda of those meetings.

3. **Thanks** the ICDT and IDB for organising an expert group meeting before the Fifth WTO Ministerial Conference for the benefit of the Member States.

4. **Thanks** the IDB for organizing a brainstorming meeting for Geneva-based missions on 1-2 May 2003 and a consultative meeting on 27-28 July 2003 for capital-based officials in preparation for the 5th WTO Ministerial Conference.

5. **Appreciates** also the technical assistance programmes of the Islamic Development Bank to assist Member States which are either members of the WTO or in the process of accession to the Organization, and the role of the Bank in organizing for consultative meetings of Member States and the Seminars and Workshops it organizes for this purpose.

6. **Appreciates** the efforts of the Islamic Chamber of Commerce and Industry in organizing Private Sector Meetings as directed by the COMCEC for an effective implementation of the Plan of Action.

7. **Underlines** the crucial importance of the active participation of the private sector in economic cooperation among the Member States and appreciating the cooperation and productive support of IDB for all the events of ICCI, calls upon ICCI to pursue its efforts to further involve the private sector in the economic cooperation among Member States.

8. Appreciates the Islamic Republic of Iran for holding the 10th Private Sector Meeting on 4-6 October 2003 in Tehran in collaboration with ICCI and the Iran Chamber of Commerce, Industries and Mines.

9. Notes with appreciation that the Regulations for the Islamic Trade Fair which was prepared by the Islamic Centre for Development of Trade, had been adopted by the Eighteenth Session of the COMCEC.

10. Expresses its gratitude to the United Arab Emirates for hosting the Islamic Trade Fair in Sharjah from 21 to 26 December 2002 on the theme: Free Trade and Sustainable development, and expresses its appreciation for the commendable efforts made by the Islamic Centre for Development of Trade and the Chamber of Commerce and Industry, Sharjah for the success of the fair.

11. Also welcomes the offer of the Bahrain Chamber of Commerce to host the 11th Private Sector Meeting in 2004 and the offer of Senegal to host the 13th Private Sector Meeting in 2006. The offer to host the 12th Private Sector Meeting into 2005 is awaited.

12. Further welcomes the offer of the Republic of Guinea to host the 10th Islamic Trade Fair in 2004 and calls upon the Member States to actively participate in the event.

13. Emphasizes the need to urgently implement the revised Plan of Action to Strengthen Economic and Commercial Cooperation Among Member States the OIC, in compliance with the principles and operational modalities of the Strategy and the procedures set forth in its chapter on Follow-up and Implementation.

14. Stresses the importance of the recommendations of the Experts Group Meeting for Accelerating the Implementation of the Plan of Action and requests that measures be taken by the Member States to accelerate the implementation of these recommendations through appropriate mechanisms to be proposed by the COMCEC Coordination Office in collaboration with the OIC General Secretariat and the OIC institutions.

15. Takes notes of approval by the COMCEC of the Draft Project Profile Form prepared by the COMCEC Coordination Office in pursuance of the relevant

recommendation of the Experts Group Meeting on Accelerating the Implementation of the OIC Plan of Action and requests the Member States to make use of it whenever they wish to submit project proposals within the framework of the OIC Plan of Action.

16. **Takes notes** with appreciation also of the study by the COMCEC Coordination Office, in cooperation with the OIC General Secretariat, SESRTCIC, ICDT, IUT, IDB, ICCI and OISA in their capacity as focal points, elaborating on the content and the terms of their possible assignment, in pursuance of the relevant recommendation of the Experts Group Meeting assigning mandate to the relevant OIC institutions to study, apprise and provide the necessary financial and technical support to the cooperation projects to be proposed, which will be finalized for submission to the 19th Session of COMCEC.

17. **Requests** the Member States to communicate their views on the supplementary Mechanism for implementation of the OIC Plan of Action which was proposed and circulated by the COMCEC Coordination Office at their earliest convenience so that it can be submitted to the 19th Session of COMCEC.

18. **Requests** the Member States to take appropriate measures including necessary cooperation, coordination and consultation among themselves to make efforts with the required possible economic and technical support from the developed countries, international community and relevant international organizations and financial institutions to increase their food production capacity with a view to arriving at national food security as well as enhancing the purchasing power of their people.

19. **Invites** the Member States to host sectoral Expert Group Meetings in priority areas of cooperation in the Plan of Action.

20. **Welcomes** the offer of the Arab Republic of Egypt to host two sectoral Expert Group Meetings in the area of "Transport and Communications" and "Food, Agriculture and Rural Development" of the Plan of Action.

21. **Thanks** the Kingdom of Saudi Arabia for hosting the Third Islamic Conference of Ministers of Tourism on 6-9 October 2002 in Riyadh.

22. **Invites** IDB to continue its active support in ensuring effective and urgent implementation of the revised Plan of Action.

23. **Thanks** the Republic of Senegal for the hosting of Seminar-Workshop in cooperation with IDB to familiarize the African member states with the Plan of Action, and recommends that similar seminars be held in other regions and sub-regions of OIC.

24. **Recognizes** that the Exchange of Views organized during the annual sessions of the COMCEC would be utilized to coordinate the positions of the Member States vis-a-vis major world economic issues.

25. **Welcomes** the offer of the government of the Republic of Sudan to host sectoral Expert Group Meeting on "Energy and Mining" and "Human Resources Development."

26. **Thanks** the Republic of Gabon for having organised a sub-regional seminar for the OIC States of Central and East Africa on "the role of IDB in the promotion of the private sector" in cooperation with IDB and the other concerned institutions of the OIC.

27. **Thanks** Burkina Faso for hosting a regional workshop on Industry' for East, West and Central African OIC member states in cooperation with the IDB and other related OIC institutions.

28. **Welcomes** the offer of the Islamic Republic of Iran to host sectoral Expert Group Meeting in the area of Health and Sanitary Issues to be followed by a Ministerial meeting on the same topic.

29. **Thanks** the Republic of Turkey for hosting the Experts Group of Meeting on Accelerating the implementation of the Plan of Action, which was held on 6-7 May 2001 in Istanbul.

30. **Welcomes** the offer of the Republic Tunisia to host an experts group meeting on "Promoting the Activities of Small and Medium-sized Enterprises" in the field of production and exports.

31. Notes with satisfaction that the Framework Agreement on Trade Preferential System entered into force upon its ratification by more than ten Member States as required under the Agreement, and welcomes the offer of the Republic of Turkey to host the first round of negotiations to be held under the Framework Agreement.

32. Thanks the Government of the Kingdom of Morocco for hosting of an Experts Group Meeting to prepare the Launching of the First Trade Negotiations Round within the Framework Agreement on the Trade Preferential System Among the OIC Member States held in Casablanca on 24-26 June, 2003 and the Islamic Centre for Development of Trade and the COMCEC Coordination Office for organizing it and preparing the necessary documents in this regard.

33. Calls upon the concerned Member States to actively take part in the first round of trade negotiation under the Framework Agreement on Trade Preferential System.

34. Welcomes the proposal made by the WTO during the meeting of policy dialogue between the WTO and the representatives of six major regional development banks, including IDB, which was held at the WTO Headquarters in Geneva, on 3 May 2003, that the regional development banks convene policy dialogues of trade and finance ministers at the regional level, to which the WTO and the World Bank may also be invited.

35. Also welcomes the resolutions of the 18th Session of the COMCEC which expresses the view that the above policy dialogue meeting of the OIC ministers responsible for trade and finance could be convened in conjunction with the sessions of the COMCEC.

36. Welcomes the offer of Indonesia to host an International Workshop on Employment and Manpower Exchange.

37. Welcomes the offer of Arab Republic of Egypt to host an OIC Ministerial Meeting to promote intra-OIC trade.

38. Thanks IDB for organizing a Workshop on "Private Sector Investment in the Member States and the Role of IDB" on 14-16 September 2002 in Istanbul

in collaboration with related OIC institutions; and also thanks the Republic of Turkey for hosting the Workshop.

39. **Welcomes** the decision taken by the 18th Session of the COMCEC that "Impact of Electronic Commerce and the use of Information Technology in the Promotion and Development of Intra-OIC Trade" be the theme for the exchange of views at the 19th Session of the COMCEC.

40. **Thanks** the Republic of Tunisia for hosting the workshop on "Impact of Electronic Commerce and the Use of Information Technology in the Promotion and Development of Intra-OIC Trade" on 10-12 June, 2003 in Tunis in collaboration with SESRTCIC, ICDT, IUT and other relevant OIC institutions as a preparation for the exchange of views session to be held during the 19th session of COMCEC.

41. **Notes with appreciation** that the 19th Session of the COMCEC will be held from 20-23 October, 2003 in Istanbul under the chairmanship of the President of the Republic of Turkey and calls upon the Member States to effectively and actively participate in the meeting.

42. **Takes notes** of the initiative of ICCI on forming a working group comprised of the General Secretariat, the COMCEC Coordination Office, IDB, ICCI, SESRTCIC and ICDT, as the focal point assuming the responsibilities of the monitoring mechanism to implement the recommendations of the private sector meetings.

43. **Requests** the Secretary General to follow up the implementation of this resolution and submit a report thereon to the Eleventh Session of the Islamic Summit Conference.

PART TWO

LIST OF BASIC DOCUMENTS AND REPORT
OF THE TWENTIETH SESSION
OF THE STANDING COMMITTEE
FOR ECONOMIC AND COMMERCIAL COOPERATION
OF THE ORGANIZATION OF THE
ISLAMIC CONFERENCE

I

LIST OF BASIC DOCUMENTS CONSIDERED
AND/OR PRESENTED AT THE TWENTIETH SESSION
OF THE COMCEC

(Istanbul, 23-27 November 2004)

Original : English

**LIST OF BASIC DOCUMENTS CONSIDERED
AND/OR PRESENTED AT THE TWENTIETH SESSION
OF THE COMCEC AND OIC ECONOMIC CONFERENCE**

(Istanbul, 23-27 November 2004)

Document Code

1. Agenda of the Twentieth Session of the COMCEC.....OIC/COMCEC/20-04/A
2. Background Report by the OIC General Secretariat OIC/COMCEC/20-04/D(1)
3. Annual Economic Report on the OIC Countries by
SESRTCIC.....OIC/COMCEC/20-04/D(2)
4. Report by SESRTCIC on Developments in the
International Financial Architecture.....OIC/COMCEC/20-04/D(5)
5. Report of the Follow-up Committee by the COMCEC
Coordination Office.....OIC/COMCEC-FC720-04/REP
6. Report by the OIC General Secretariat on the Review
of the Implementation of the Plan of Action to
Strengthen Economic and Commercial Cooperation
Among OIC Member States.....OIC/COMCEC/20-04/D(7)
7. Joint report by SESRTCIC and ICDT on Stock
Exchange Alliances and Cooperation Among the OIC
Member States.....OIC/COMCEC/20-04/D(8)
8. Report by IDB on the Expansion of Intra-Trade Among
OIC/IDB Member Countries.....OIC/COMCEC/20-04/D(10)
9. ICDT's Annual Report on Trade Between the Member
States of OIC 2004.....OIC/COMCEC/20-04/D(4)
10. Background Note by the OIC General Secretariat on the
Proposal on Gold-based Trade Payment Arrangements
(GTPA) for the Promotion of Intra-OIC Trade.....OIC/COMCEC/20-04/ D(1 1)
11. Report of the Experts Meeting of Gold-based Trade
Payment Arrangements (GTPA) by IDB.....OIC/COMCEC/20-04/ D(12)
12. Report of the Trade Negotiating Committee by the
COMCEC Coordination Office.....OIC/COMCEC/20-04/TNC.REP
13. Report by ICDT on the Trade Preferential System
Among the OIC Member States.....OIC/COMCEC/20-04/D(14)

Document Code

14. Report on IDB Group's WTO Related Technical Assistance to the OIC Member Countries by IDB.....OIC/COMCEC/20-04/D(15)
15. Report on the Issues Relating to the Activities of the WTO by ICDT.....OIC/COMCEC/20-04/D(16)
16. Report by ICCI on the Eleventh Private Sector Meeting among the OIC Countries.....OIC/COMCEC/20-04/D(17)
17. Report by ICDT on Trade Fairs of Islamic Countries. . . .OIC/COMCEC/20-04/D(18)
18. Report of the Workshop on "Trade and Transport Facilitation Among the OIC Member Countries" by ICDT.....OIC/COMCEC/20-04/D(19)
19. Brief Report by ICCI on the Activities of the ICCI.....OIC/COMCEC/20-04/D(4)
20. Report by the OIC General Secretariat on Matters Related to Economic Assistance to Some Islamic States OIC/COMCEC/20-04/D(23)
21. Report of the Sessional Committee.....OIC/COMCEC/20-04/SC.REP
22. Report on the Activities of the Islamic Chamber to the 20* Session of COMCEC by ICCI.....OIC/COMCEC/20-04/D(18)
23. Report on the Activities of the SESRTCIC to the 20th Session of the COMCEC by SESRTCIC.....OIC/COMCEC/20-04/D(11)
24. Economic and Social Development in the OIC Countries by SESRTCIC.....
25. Integration into the World Economy: Experience of the OIC Countries by SESRTCIC.....
26. Achievements of COMCEC in the Past Twenty Years and its Future Prospects for OIC Economic and Commercial Cooperation by İlhan UGUREL.....
27. Enhancing the Institutional Set up and Mechanisms for the OIC Economic and Commercial Cooperation by the COMCEC Coordination Office.....

Document Code

28. Country Reports and/or Written Presentations on the
"Trade and Transport Facilitation Among the OIC
Member Countries".....OIC/COMCEC/20-04/CR(. . .)
- State of Kuwait
 - Sultanate of Oman
 - Kingdom of Saudi Arabia
 - Republic of Tunisia
 - Republic of Turkey

II

REPORT
OF THE TWENTIETH SESSION
OF THE STANDING COMMITTEE FOR ECONOMIC AND
COMMERCIAL COOPERATION OF THE ORGANIZATION
OF THE ISLAMIC CONFERENCE AND
THE OIC ECONOMIC CONFERENCE

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**REPORT
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COMMITTEE FOR ECONOMIC AND
COMMERCIAL COOPERATION OF THE OIC
AND THE OIC ECONOMIC CONFERENCE**

(Istanbul, 23-27 November 2004)

1. The Twentieth Session of the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Conference (COMCEC) and the OIC Economic Conference were held from 23 to 27 November 2004.

2. The Meeting of Senior Officials of COMCEC preceded the Session on 23-24 November, which was held under the Chairmanship of H.E. Dr. Ahmet TIKTIK. Undersecretary of the State Planning Organization of the Republic of Turkey, to consider items of the Draft Agenda and prepare Draft Resolutions for consideration by the Ministerial Session.

3. The Session was attended by the representatives of the following Member States of the Organization of the Islamic Conference (OIC):

1. Transitional Islamic State of Afghanistan
2. Peoples Democratic Republic of Algeria
3. Republic of Azerbaijan
4. Kingdom of Bahrain
5. People's Republic of Bangladesh
6. Republic of Benin
7. Brunei Darussalam
8. Burkina Faso
9. Republic of Cameroon
10. Union of Comoros
11. Republic of Cote d'Ivoire
12. Arab Republic of Egypt
13. Republic of Gambia

14. Republic of Guinea
15. Republic of Indonesia
16. Islamic Republic of Iran
17. Republic of Iraq
18. Hashemite Kingdom of Jordan
19. Republic of Kazakhstan
20. State of Kuwait
21. Kyrgyz Republic
22. Republic of Lebanon
23. Great Socialist People's Libyan Arab Jamahiriya
24. Malaysia
25. Republic of Mali
26. Islamic Republic of Mauritania
27. Kingdom of Morocco
28. Republic of Mozambique
29. Federal Republic of Nigeria
30. Sultanate of Oman
31. Islamic Republic of Pakistan
32. State of Palestine
33. State of Qatar
34. Kingdom of Saudi Arabia
35. Republic of Sierra Leone
36. Republic of Sudan
37. Syrian Arab Republic
38. Republic of Tajikistan
39. Republic of Tunisia
40. Republic of Turkey
41. Republic of Turkmenistan
42. Republic of Uganda
43. State of the United Arab Emirates
44. Republic of Uzbekistan
45. Republic of Yemen

4. Bosnia-Herzegovina and the Turkish Republic of Northern Cyprus participated in the Session as observers and the Republic of Macedonia as guest.

5. OIC General Secretariat and the following subsidiary, affiliated and specialized OIC institutions attended the Session:

1. Statistical, Economic and Social Research and Training Center for Islamic Countries (SESRTCIC)
2. Islamic Center for Development of Trade (ICDT)
3. Islamic Development Bank (IDB)
4. Islamic Research Center for History, Culture and Art (IRCICA)
5. Islamic Chamber of Commerce and Industry (ICO)

6. Furthermore, representatives of the following international organizations attended the Session as well:

1. Economic Cooperation Organization (ECO)
2. United Nations Industrial Development Organization (UNIDO)
3. Developing Eight (D-8)
4. Federation of Consultants from Islamic Countries (FCIC)
5. Federation of Islamic Countries' Contractors (FICC)
6. Association of National Development Financing Institutions (ADFIMI)

(A copy of the List of Participants of the Twentieth Session of the COMCEC is attached as Annex 1.)

OIC Economic Conference

7. In commemoration of the 20th Anniversary of the COMCEC, the OIC Economic Conference was held in parallel to the 20th Session of the COMCEC on November 23-27th 2004 in Istanbul, with the participation of the ministers, businessmen, and eminent persons. The Conference consisted of Business Forum, Panel Discussions, and Brainstorming Sessions.

8. **The Business Forum** of OIC Economic Conference was held on 23-24th November 2004. The Forum ended up with a declaration consisting of a set of proposals concerning promotion trade and investment among the OIC Countries. The said proposals were submitted to the ministers with a view to make those practical targets achieved by devising proper studies and action plans.

9. In the framework of the OIC Economic Conference two **Panel Discussions** were held on November 24th 2004, on the subjects of "Evaluation of the Economic and Commercial Cooperation within the OIC" and "Enhancing the Institutional Set-up and Mechanisms for the OIC Economic and Commercial Cooperation".

10. The OIC Economic Conference continued with two **Brainstorming Sessions** on November 25-26th 2004. The first session was participated by ministers and businessmen discussing the outcomes of the Business Forum. The second session, which took place with the participation of the ministers, evaluated the outcome of the Business Forum, Panel Discussions, and the first Session of the Business Forum. The evaluation resulted in the Final Communique of the OIC Economic Conference.

11. The Report of the OIC Economic Conference and its Annexes are prepared separately and will be published accordingly for circulation.

Opening Session

12. The Joint Opening Ceremony of the Twentieth Session of the COMCEC and the OIC Economic Conference was held on 25 November 2004 under the chairmanship of H.E. Ahmet Necdet SEZER, President of the Republic of Turkey and Chairman of the COMCEC.

13. In his inaugural Statement, H.E. Ahmet Necdet SEZER, extending his warm greetings, heartily welcomed all the delegates. Referring to the participation for the first time of the private sector in a COMCEC session, he emphasized the importance of its participation in COMCEC sessions, because of its crucial role in economic and commercial cooperation among the OIC countries. Taking into consideration the growing competition in world markets, H.E. SEZER, stressed the significance of the need to develop intra-OIC trade through establishing stronger regional economic alliances, which in return would enable the OIC Countries to play a more prominent role in the world economy. In this connection, H.E. SEZER, drew attention to the trade negotiations, which began this year under the Framework Agreement for a Trade Preferential System Among OIC Countries, reiterating his call on the OIC Member States to participate in the trade negotiations with a view to reaching a successful completion of it. H.E. President SEZER, paid tribute to

the memory of H.E. Mr. ARAFAT, whose death particularly saddened the Islamic world. He concluded his statement by wishing success for all the parties attending the COMCEC.

(A copy of the text of the Inaugural Statement of H.E. Ahmet Necdet SEZER is attached as Annex 2.)

14. H.E. Dr. Abdelouahed BELKEZIZ, Secretary General of OIC made a statement at the Opening Ceremony. He expressed his deep sense of gratitude to H.E. Mr. Ahmet Necdet SEZER, President of the Republic of Turkey and the Chairman of the COMCEC, for his gracious presence at the 20th Session of the COMCEC. H.E. BELKEZIZ laid particular stress on the promotion of intra-OIC investment and emphasized that the issue deserved a fresh look. He hoped that this Session would significantly contribute to the economic and commercial cooperation among the OIC countries. Underlining the need of incorporating the private sector in the work, he appreciated the participation of businessmen in the First Business Forum, which was held in parallel to this Session of COMCEC. He wished the COMCEC Session and the OIC Economic Conference all success.

(A copy of the address of H.E. Abdelouahed BELKEZIZ, Secretary General of the OIC is attached as Annex 3.)

15. The Heads of Delegation of the State of Qatar, Republic of Cameroon, and Islamic Republic of Iran made statements on behalf of the Arab, African, and Asian groups of Member States respectively. In their statements, they expressed their thanks and appreciation to H.E. Ahmet Necdet SEZER for his great efforts as the Chairman of the COMCEC. The Heads of Delegation, referred to the need for further strengthening economic cooperation among the Member States. In this regard, they expressed their hope that the launch of the first round of trade negotiations under TPS-OIC might serve this goal through substantially increasing the intra-OIC trade which had been one of the main objectives of the COMCEC since its commencement. They also thanked the President, the Government and People of the Republic of Turkey for the warm welcome and excellent arrangements made for the Meeting.

(The texts of the Statements made on behalf of the Arab, Asian and African Member States are attached as Annexes 4, 5 and 6 respectively.)

16. H.E. Ahmed Mohammed ALI, the President of the Islamic Development Bank, also addressed the Opening Session conveying a comprehensive speech. Praising the fruitful cooperation between the IDB and the COMCEC, he mentioned the OIC Economic Conference, which was jointly organized by them, enumerating the various activities carried out in the Conference. HE. ALI asserted that the Conference would attain tangible results promoting cooperation between OIC Countries. He informed the Session about the numerous achievements of the IDB over the last thirty years through its diverse programs and outlets and about its current long term credit rating of AAA and short term "A -I +" which was the highest rating among multilateral development banks free of risk.

(The text of the Message of the President of IDB is attached as Annex 7.)

17. Mr. M. Rifat HİSARCIKLIOĞLU, the President of the Union of Chambers and Commodity Exchanges of Turkey (TOBB), also made a statement. He pointed out the significant role that might be played by private sector in enhancing the unsatisfactory level of economic and commercial cooperation among the OIC countries. He offered to share their vast experience of increasing the role of private sector in the decision making process with the OIC countries.

(The text of the speech of the President of TOBB is attached as Annex 8.)

18. Following the Opening Ceremony, H.E. Ahmet Necdet SEZER received the Heads of Delegation.

Ministerial Working Session

19. The Ministerial Working Session of the Twentieth Session of the COMCEC was held on 26 November 2004 under the Chairmanship of H.E. Erkan MUMCU, Minister of Culture and Tourism of the Republic of Turkey.

20. A signing ceremony was held. The Heads of Delegations of Syrian Arab Republic, State of Qatar, State of Kuwait, and State of the United Arab Emirates signed the Framework Agreement on the Trade Preferential System Among the OIC Member States.

21. The Session expressed deep condolences at the sad demise of H.H. Sheikh Zayed Bin Sultan Al-Nahyan, Amir of Abu Dhabi and President of United Arab Emirates and H.E. Mr. Yasser Arafat, President of the State of Palestine.

22. The Session adopted the Draft Agenda of the Twentieth Session of the COMCEC.

(The Agenda of the Twentieth Session of the COMCEC is attached as Annex 9.)

23. An Exchange of Views on "Trade and Transport Facilitation Among the OIC Member States" was held under agenda item 10. This was initiated with a presentation by H.E. Dr. Ahmet TIKTIK, Undersecretary of the State Planning Organization of the Republic of Turkey and Chairman of the Senior Officials Meeting, who gave a brief account on the outcome of the deliberations of the Senior Officials on "Trade and Transport Facilitation Among the OIC Member States".

(The text of presentation of the Chairman of the Senior Officials is attached as Annex 10.)

24. The Heads of Delegation of the Republic of Turkey, Republic of Iraq, Kingdom of Morocco, Sultanate of Oman, Islamic Republic of Pakistan, Turkish Republic of Northern Cyprus, Kingdom of Saudi Arabia, Republic of Indonesia, and Republic of Tajikistan took part in the exchange of views, which also included a number of country reports on "Trade and Transport Facilitation Among the OIC Member States".

(Country reports, submitted in writing, are available separately).

25. The Session thanked the Republic of Turkey and the IDB for successfully having organized the OIC Economic Conference in conjunction with the 20th Session of COMCEC.

26. The Session took note of Final Communiqué of the OIC Economic Conference and called for its implementation.

27. The Session then adopted Resolution OIC/COMCEC/20-04/RES(1) and Resolution OIC/COMCEC/20-04/RES(2).

(Resolution OIC/COMCEC/20-04/RES(1) and Resolution OIC/COMCEC/20-04/RES(2) are attached as Annexes 11 and 12, within the context of the Resolution (1);

- Recommendations of the Workshop on "Trade and Transport Facilitation Among the OIC Member States" is attached as Annex 13.

28. The Session also reviewed the Report OIC/COMCEC/20-04/Sc.Rep. of the Fifth Sessional Committee, which was held on November 22nd 2004.

(The Report OIC/COMCEC/20-04/Sc.Rep. of the Sessional Committee is attached as Annex 14.)

Closing Session

29. The Joint Closing Ceremony of the Twentieth Session of the COMCEC and the OIC Economic Conference was held on 27 November 2004 under the chairmanship of H.E. Kürşad TÜZMEN, Minister of State of the Republic of Turkey.

30. H.E. Sher Afgan KHAN, Ambassador of Islamic Republic of Pakistan to Turkey and Rapporteur of the Meeting, presented the Resolutions adopted at the Ministerial Session. In his presentation H.E. KHAN summarized the proceedings of the Drafting Committee highlighting some of the points of agreement.

31. The Session adopted the Final Communiqué of the OIC Economic Conference OIC/COMCEC/20-04/FCEC.

(The Final Communiqué of the OIC Economic Conference OIC/COMCEC/20-04/FCEC is attached as Annex 15.)

32. H.E. Ambassador, Thierno Nabika DIALLO, the Assistant Secretary General for Economic Affairs, read out the message of H.E. Dr. Abdelouahed BELKEZIZ, the Secretary General of OIC. In His message, H.E. Dr. Abdelouahed BELKEZIZ, welcoming the signature of the Framework Agreement on Trade Preferential System Among the OIC Member States by four Member States, namely Syrian Arab Republic, State of Qatar, State of Kuwait, and State of the United Arab Emirates, during this Session of the COMCEC, expressed his hope that further signatures and ratifications would follow in the near future, and that the first round of trade negotiations would successfully end in March 2005. Reiterating that the General Secretariat of the OIC would not spare any effort in implementing all COMCEC resolutions, H.E. BELKEZIZ concluded his remarks.

(The text of the Message of the Secretary General of the OIC, is attached as Annex 16.)

33. In his statement on behalf of all participating Member States, H.E. Dr. Amer Hosni LUTFI, Minister of Economy and Trade and Head of Delegation of Syrian Arab Republic, thanked H.E. Ahmet Necdet SEZER, the President of the Republic of Turkey, H.E. Kürşad TÜZMEN, Minister of State of Republic of Turkey, the OIC General Secretariat, and all the concerned parties contributing to the work of the Session.

34. H.E. Kürşad TÜZMEN, Minister of State of the Republic of TURKEY, also made a statement at the Closing Session. H.E. TÜZMEN evaluated the outcomes of the OIC Economic Conference and expressed his belief that the active involvement of the participants had led to important decisions concerning development of the economic and commercial cooperation among the OIC Member States. He concluded his statement by expressing his feelings of deep gratitude to all delegations which had contributed to the success of the 20th Session of the COMCEC and the OIC Economic Conference.

(The text of the Closing Statement of H.E. TÜZMEN is attached as Annex 17.)

ANNEXES

- 1 -

LIST OF PARTICIPANTS
OF THE
TWENTIETH SESSION OF THE COMCEC

(Istanbul, 23-27 November 2004)

Original: English

LIST OF PARTICIPANTS
OF THE TWENTIETH SESSION OF THE COMCEC
(23 - 27 November 2004, Istanbul)

A. MEMBER STATES OF THE OIC

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- Mr. FRAIDOOON HAFIZI
Commercial Attache of Embassy of Afghanistan

PEOPLE'S DEMOCRATIC REPUBLIC OF ALGERIA

- Mr. ABDEHAMID BELAHDA
Ministry of Commerce

REPUBLIC OF AZERBAIJAN

- Mr. IBRAHIM NEBIOGLU YAGUBOV
Consul General, Consulate General in Istanbul
- Mr. ARİF BAKHSHALIEV
Head of Division, Ministry of Economic Development
- Mr. DURSUN HASANOV
Consul
- Mr. PERVIZ GADIMOV
Consul
- Mr. CAVID KAZIMOV
Ministry of Foreign Affairs

KINGDOM OF BAHRAIN

- Mr. MOHAMMED GHASSAN SHAIKHO
Director of International Organizations, Ministry of Foreign Affairs
- SHAIKH FERAS BIN ABDULRAHMAN AL KHALIFA
Ministry of Finance & National Economy
- Mr. MOHSEN ABDULREDA AL-DAILAMI
Ministry of Commerce

PEOPLE'S REPUBLIC OF BANGLADESH

- H.E. A. T. M. NAZRUL ISLAM
Ambassador of Bangladesh to Turkey

PEOPLE'S REPUBLIC OF BENIN

- Mr. SOUFIANO ATAOU
President of Chamber of Commerce and Industry

BRUNEI DARUSSALAM

- H.E. Mr. PEHIN DATO HAJI HUSIN BIN AHMAD
Ambassador of Brunei Darussalam to Turkey
- Mr. MAZLIZAH PG HJ MAHALEE
Special Duties Officer, Ministry of Industry & Primary Resources

BURKINA FASO

- Mr. OUMAR DIAWARA
Ambassador of Burkina Faso to Riyadh and Representative to the OIC
- Mr. PAUL ROBERT TIENDREBEOGO
General Manager of International Organization Dept., Ministry of Foreign Affairs

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- H.E. Dr. MOHAMADOU LABARANG
Permanent Representative by the OIC and Ambassador in Saudi Arabia
- Mr. MOHAMADOU TALBA
General Inspector, Ministry of Trade and Industry Development
- Mr. ABANCHIME LIMANGANA
Head of Section, Ministry of External Relations
- Mr. MOHAMADOU LAWAL
Head of Section, Ministry of Economic Affairs

UNION OF COMOROS

- H.E. MAOULANA CHARIF
Minister of Economy, External Trade, Industrial Promotion and Employment
- Mr. MOHAMMED OUSSEIN DAHALANI
Translator and Advisor of the President

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- H.E. AMIDOU DIARRA
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- H.E. Mr. HAMZA SALLAH
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Deputy Assistant Foreign Minister for International Affairs and OIC
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Minister Plenipotentiary, Commercial and Economical Consul,
Consulate General in Istanbul
- Mr. AMR RAMADAN
Counsellor, Director of International Economic Affairs, Ministry of Foreign Affairs
- Ms. MANAL ABD EL TAWAB
Commercial Vice Consul in Istanbul

REPUBLIC OF GAMBIA

- H.E. LAMIN KABBA BAJO
Ambassador of Gambia to Riyadh

REPUBLIC OF GUINEA

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Counsellor, Ministry of Finance
- Mr. SENY CAMARA
Head of Department, Ministry of Commerce
- Mr. BASSY CAMARA
Chief of Department, Ministry of Foreign Affairs
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Honorary Consul General, Istanbul

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- Mr. HASHEM SAEDI
Director General of Public Relations
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- Mr. YASER KHALAF HASAN
Secretary of Minister of Trade

HASHEMITE KINGDOM OF JORDAN

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Ambassador of Jordan to Turkey
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Head of Regional Organization, Ministry of Industry and Trade

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- Mr. TAOUFİK JABEUR
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REPUBLIC OF TURKEY

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Minister of State and Deputy Prime Minister
- H.E. KÜRŞADTÜZMEN
Minister of State
- H.E. ERKAN MUMCU
Minister of Tourism and Culture
- Dr. AHMET TIKTIK
Undersecretary of State Planning Organization
- Mr. LÜTFİ ELVAN
Deputy Undersecretary of State Planning Organization
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Director General, Undersecretariat of Foreign Trade
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Head of Department, Ministry of Foreign Affairs
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Head of Department, Ministry of Industry and Commerce
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REPUBLIC OF TURKMENISTAN

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REPUBLIC OF UGANDA

- H.E. IBRAHIM MUKIIBI
Ambassador of Uganda to Saudi Arabia, Gulf States and the OIC
- Mr. JOHN CHARLES OGOL
Economist

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- H.E. KHALID GHANEM AL GHAITH
Ambassador of United Arab Emirates in Ankara
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- Mr. OMAR AHMAD ALMOHARRAMI
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Consul General, Istanbul
- Mr. AYBEK RAZZAKOV
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C. GUEST

REPUBLIC OF MACEDONIA

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- Mr. JANI BOGOEVSKI
Consultant of Foreign Economic Policy (Deputy Undersecretary)
- Mr. JORDAN PANEV
Consul General, Istanbul

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President, IDB Group
- Dr. SELİM C. KARATAŞ
Executive Director
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Director, Cooperation Office
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DEVELOPING EIGHT (D-8)

- Amb., AYHAN KAMEL
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K. COMCEC COORDINATION OFFICE

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- Mr. CAFER ERDOĞAN
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- Mr. ÖMER BIYIK
Technician

- 2 -

INAUGURAL ADDRESS OF H.E. AHMET NECDET SEZER,
PRESIDENT OF THE REPUBLIC OF TURKEY AND
CHAIRMAN OF THE COMCEC
AT THE JOINT OPENING CEREMONY

(Istanbul, 25 November 2004)

Original: English

**INAUGURAL ADDRESS OF H.E. AHMET NECDET SEZER,
PRESIDENT OF THE REPUBLIC OF TURKEY AND
CHAIRMAN OF THE COMCEC
AT THE JOINT OPENING CEREMONY**

(Istanbul, 25 November 2004)

Honorable Ministers,
Distinguished Secretary General,
Distinguished Delegates,

I am pleased to be with you once again on the occasion of the Twentieth Session of the Standing Committee for Economic and Commercial Cooperation of the Islamic Conference and the OIC Economic Conference. Welcome to Turkey. I extend my best wishes to all the delegations and hope that your efforts will yield beneficial results.

We are also pleased to have the private sector representatives attending COMCEC meetings for the first time as the actors of economic and commercial cooperation. We expect them to participate in our meetings more effectively from this year onwards.

Honorable Ministers,
Distinguished Delegates,

The Organization of the Islamic Conference has, since its establishment, considered the issues of economic and commercial cooperation as a principal item on its agenda. The intense competition in global markets is now forcing our countries toward stronger economic alliances and better guidance in international economy. Looking back to the past twenty years of COMCEC, we are pleased to see that significant contributions have been made in this respect, that concrete projects have been finalized and an important experience has been acquired in the field of cooperation.

Development and financing of development are still on the agenda as significant challenges, while trade and investment continue to be *sine qua non* for development.

Trade is an essential activity for developing countries aspiring to wealth. One of the most serious structural problems of the global economic system is that the developing countries can not get their fair share from the growing and diversifying world trade. At

the root of this structural problem lies also the inability of these countries to efficiently use their own resources.

There is a need for a fairer participation of the COMCEC Member States in world trade in order to minimize the income differences between the nations, to combat poverty and to ensure welfare and peace at a global level. It is therefore essential for the developed countries to revise their trade policies by observing the conditions of the developing countries. Also, COMCEC Member States should focus on bilateral trade and investment issues. Undoubtedly, there would be no production without investment, and no trade and development without production.

The Framework Agreement for a Trade Preferential System among the OIC Member States, originally introduced as a COMCEC scheme, has been the first comprehensive initiative towards liberalization of trade among our countries. On behalf of COMCEC, I would like to extend my thanks to all the institutions that supported the Framework Agreement Negotiations initiated this year.

The trade among COMCEC Member States equals to 12 percent of the overall trade of our countries. This low ratio highlights the need for a Trade Preferential System, as a useful initiative to boost our economic cooperation. I renew my call to COMCEC Member States to take part in the negotiations for the establishment of the Trade Preferential System.

It is particularly necessary to stress on the importance of the increasing share of informatics in the world trade of services and a wider distribution of information, as a prime input for development. There is no doubt that priority should be given to investing in this sector and human resources so as to obtain a larger share from this sector, which offers great opportunities to developing countries.

On the other hand, with information and communication technologies now being used in all areas, there is an ever increasing need for reliable data to be used for the analysis of the current situation in some of our member countries. As we have mentioned earlier, Turkey is ready to cooperate and share its experience in this field.

Honorable Ministers,
Distinguished Delegates,

I would like to take this opportunity to suggest that eliminating the welfare differences between us and the developed countries, requires also changing our administrative

approach. We believe that we have to adopt good governance, which refers to a contemporary and participatory administration as our fundamental principle.

I hope that the panels, brain storming sessions and exchange of views realized in the margins of the OIC Economic Conference hosted by Turkey simultaneously with the COMCEC meeting, will produce significant and concrete proposals to further our economic cooperation.

The Economic Conference will provide the opportunity of evaluating economic and commercial cooperation among the COMCEC Member States. Let us not forget that we cannot make new initiatives without knowing our needs or mistakes, nor can we plan a future without learning from our past.

There is no doubt that these new initiatives can only be successful with an effective participation by the private sector as the driving force behind our national economies, and by making changes in our administrative approach.

Honorable Ministers,
Distinguished Delegates,

The Twentieth Session of the COMCEC will have to take important decisions with respect to the Plan of Action for Economic and Commercial Cooperation and the Implementation Mechanism. This year, in addition to the technical preparations aimed at enhancing coordination among the relevant institutions, there are also efforts to strengthen the mechanisms to facilitate the cooperation projects referred to in the Plan of Action.

In this context, I would like to draw your attention to the financial mechanism that will enable the realization of multilateral cooperation projects. We regard the said mechanism as a significant step to eliminate delays in the implementation of the Plan of Action, which is the essential reference in economic cooperation activities. We all have responsibilities in this matter and we can only further our cooperation through projects coordinated by relatively more homogenous country groups.

While considering various approaches, we need to acknowledge the necessity of learning and criticism, and the need for creating a pluralistic environment where all kinds of opinions and suggestions are voiced. I would like to stress that progress in our economic and commercial cooperation can be possible only if we do not limit

ourselves to conventional methods and perceptions and by opening ourselves to the different and the innovative.

In this context, I would like to express my thanks to Dr Abdelouahed Belkeziz, Secretary General of the OIC for his invaluable contribution to the work of COMCEC and wish success to Dr Ekmeleddin İnançođlu as the new Secretary General.

Honorable Ministers,
Distinguished Delegates,

Finally, I would like to touch upon some political issues that relate to the Organization of the Islamic Conference.

In the recent process of negotiations that resulted in the April 24 referenda in Cyprus, the solution-oriented attitude adopted by the Turkish side has been appreciated by the whole world.

In his report issued in May, the UN Secretary General stated that there can be no more excuses for oppressing or isolating Turkish Cypriots from the rest of the world. In this framework, he urged the international community and the Security Council members to lift the embargoes and restrictions imposed upon the Turkish Cypriots.

We know that the necessity of saving Turkish Cypriots from international isolation is also acknowledged by our fellow Member States of OIC. We expect all our fellow and brotherly Islamic States to take more concrete steps toward the elimination of isolation policies imposed on the Turkish Cypriot people.

I am pleased to note the decision taken at the Conference of Foreign Ministers of the OIC held in Istanbul last June, referring to the unfair treatment against Turkish Cypriots, and recommending improvement of relations with and provision of assistance to the Turkish Cypriots.

In connection with this decision, which was re-affirmed also at the Annual Coordination Meeting of the Foreign Ministers of the OIC held in New York in September, we believe it is high time to strengthen relations in all fields with Turkish Cypriots who have been suffering from all kinds of restrictions and embargoes for forty years. In this context, I would like to thank those member states of the OIC who have already taken some steps in this direction.

Honorable Ministers,
Distinguished Delegates,

I would like to take this opportunity to honor the memory of Mr Arafat, a distinguished statesman and the leader of the Palestinian nation, who passed away recently.

The loss of Arafat who brought the just cause of the Palestinians to the attention of the international community, has caused a deep sorrow among the peoples of the COMCEC Member States as well as the Palestinian nation.

The ongoing intransigency in the Israeli-Palestinian conflict and the aggravation of the situation in the region in the last four years has been a serious concern to the Islamic world. I would like to re-affirm the need for restoring a just, enduring and comprehensive peace on the basis of UN Security Council Resolutions 242 and 338, and the UNSC Resolution 1397 which foresees a region where Israel and Palestine would coexist side by side within secure and mutually recognized boundaries. Restoring peace will undoubtedly strengthen stability and cooperation in our region.

We believe that the only alternative at hand for a final and sustained resolution for the Israeli-Palestinian conflict is to implement the Road Map as supported by the international community via the UNSC Resolution 1515.

In this context, we believe that the plan for the withdrawal of Israel from the entire Gaza Strip and part of the West Bank will only be meaningful, if this constitutes a step toward a comprehensive and enduring peace between the parties.

Turkey is determined to pursue its efforts in the future, as it did in the past, to contribute to the efforts for the establishment of peace and stability in the Middle East.

Honorable Ministers,
Distinguished Delegates,

The elections to take place in Iraq in January constitute a historic opportunity for Iraq to proceed towards a stable, peaceful, democratic and prosperous future. For this reason, I wish that our Iraqi brothers will use this opportunity positively. In this critical time, in order to ensure a more confident future, it is necessary that all sections of Iraqi society behave in a conciliating manner and place the interests of their country above

everything else, acting in unity without being influenced by ethnic, religious and sectarian differences.

The key to enduring peace in Iraq is in the very hands of the Iraqi people. The use of this key by the Iraqi people in the best way will have positive political, economic and social reflections throughout the geography of the OIC, and thus, pave the way to further the existing cooperation among our countries.

As the international community, our duty is to help Iraq restore peace and order as soon as possible, by using also the multilateral platforms such as neighbors of Iraq, the United Nations, the Organization of the Islamic Conference and the European Union. Turkey has provided support to neighboring Iraq through its sound and determined approach on all the above platforms and will continue to do so.

Honorable Ministers,
Distinguished Secretary General,
Distinguished Delegates,

I hope that your efforts in the framework of both the COMCEC and the Economic Conference will yield significant benefits in our quest for welfare and peace, and convey my best wishes to you all.

- 3 -

ADDRESS OF H.E. DR. ABDELOUAHED BELKEZIZ,
SECRETARY GENERAL OF THE
ORGANIZATION OF THE ISLAMIC CONFERENCE
AT THE JOINT OPENING CEREMONY

(Istanbul, 25 November 2004)

**STATEMENT BY H. E. DR. ABDELOUAHED BELKEZIZ,
SECRETARY GENERAL OF THE ORGANIZATION OF THE
ISLAMIC CONFERENCE AT THE JOINT INAUGURATION
OF THE 20TH SESSION OF THE TANDING
COMMITTEE FOR ECONOMIC AND COMMERCIAL
COOPERATION (COMCEC)AND THE OIC
ECONOMIC CONFERENCE**

(Istanbul, 23 November, 2004)

Bismillahir Rahmanir Rahim

Your Excellency. Mr. Ahmet Necdet SEZER. President of the Republic of Turkey and the Chairman of the COMCEC.

Excellencies, the Ministers.

Excellencies.

Distinguished delegates,

Ladies and Gentlemen,

Assalamu Alaikum Wa Rahmatullahi Wa Barakatuh.

It is an honour for me to be present at the joint inauguration of the 20th Session of the Standing Committee for Economic and Commercial Cooperation and the OIC Economic Conference. I should like, first of all, to begin by expressing my deep sense of gratitude to His Excellency Mr. Ahmet Necdet SEZER, President of the Republic of Turkey and the Chairman of the Standing Committee for Economic and Commercial Cooperation (COMCEC), for his gracious presence here at this joint inauguration. The inaugural address by His Excellency the President reflects his abiding commitment to the strengthening of the economic cooperation amongst the OIC countries.

On this occasion of the 20th anniversary of COMCEC, I would like to pay a special tribute to the Chairman of COMCEC as well as the Government of the Republic of Turkey for the role in sustaining the excellent of work of the most successful of the Committees of OIC.

Mr. Chairman,

The 20th Session of the Standing Committee for Economic and Commercial Cooperation takes place against the back-drop of difficult international economic situation for the developing countries as well as the Islamic world. There is the impasse in the negotiations at the WTO. which has now lasted for sometime. We have witnessed a continuing retreat from the multilateralism. The terms of trade work consistently to the disadvantage of the developing countries with their exports stagnating against the protectionist barriers erected by the developed countries. The volume of international assistance has been steady on the decrease. This is the somber consequence of the developing countries not having the economic or political strength to participate as equal partners in the world economy. For decades, they have been looking around for alternatives which would enable them to achieve reasonable rates of growth that would alleviate their situation of poverty.

Although Islamic world comprises of a majority of the least-developed countries as designated by the United Nations, it also has, in its ranks, countries with a per capita income which is the highest in the world. Some of its Members are endowed with rich natural resources, while others have a reservoir of skilled manpower. Economic prosperity and mutual self-help under the current circumstances should form the bedrock on which the edifice of solidarity of the Ummah must be raised. That is why I believe we must concentrate on what we have rather than continue our dependence on the developed world. We must change our attitude of looking towards the West for inspiration as well as assistance and start looking inwards harnessing our own resources and utilizing them effectively. We need to turn our economies away from dependence.

It is in this perspective that the work of COMCEC assumes significance. Apart from its annual ministerial meetings - twenty to this day. COMCEC held specialized sectoral ministerial meetings on such areas as agricultural, energy, industrial development, trade, communication, information and so on. We have come a long way and our experience over the years should help us forge ahead. I would like to commend H.E. the Chairman in this connection for his decision to hold a commemorative economic conference on the occasion of the 20th anniversary of COMCEC, which has been well-timed.

As its draft agenda indicates, the economic conference will provide an opportunity for an evaluation of the existing level of cooperation and to review the institutional set up that are in place for economic and commercial cooperation. It promises to deal specially with the promotion of intra-OIC trade and investment.

I would like to lay particular stress on the promotion of intra-OIC investment. Under the present circumstances, the subject deserves a fresh look. I believe many Member States have the capacity to absorb investment in substantial quantity, most of it in private sector. What we need is concentrated study and a determination to make progress. The Conference will hopefully provide ample input to the work of COMCEC in providing impetus for the promotion of economic cooperation among the Member States and assisting each other to achieve a level of economic development that would free their economies from the vagaries of the international economic system.

Mr. Chairman.

International trade is a major instrument of economic growth. At this juncture in the international economic system it is largely the developing countries whose markets can be expanded to absorb increased production of goods and services of each other leading to an expansion of economic activity. We have large potential markets which if opened could lead to a tremendous spurt in the growth of trade among the Islamic countries. I believe that in this situation we must place particular emphasis on increased intra-OIC trade which constitutes at present about 11 per cent of the total trade of the Islamic world. Promotion of intra-OIC trade should indeed be a key-element in the development of cooperation among OIC Member States. A major development in this regard is the entry into force of the Framework Agreement on Trade Preferential System among OIC Member States and the launching of the trade negotiations under the agreement. It has opened up a new vista of opportunities for the Member States to come together for closer economic cooperation. It is my sincere hope that, as the first round of trade negotiation proceeds on, more and more Member States would join in. I, therefore, urge upon the Member States that have not yet signed or ratified the agreement to do so as early as possible.

In connection with the promotion of trade and investment, I would like to note in particular the role of the Islamic Development Bank (IDB). IDB has been in the forefront of providing various facilities and funding to Member States. I would like to urge upon the Member States to make greater use of the various windows of IDB. I would also appeal to the Member States for continued support to IDB in the task of expanding its appreciable activities in the days to come. In this connection, I would like to commend the proposal of H.R.H. Prince Abdullah bin Abdulaziz, the Crown Prince of Saudi Arabia, made at the 10 Islamic Summit Conference held in Putrajaya, Malaysia last year to increase the funding of IDB for its trade promotion activities.

Mr. Chairman.

As the mainstay of its activities, the primary focus of COMCEC should be on the implementation of the OIC Plan of Action to Strengthen Economic and Commercial Cooperation among the Member States and indeed it is so. However, slow progress in its implementation has been a matter of concern for the Member States. In confronting this problem COMCEC deliberated on the possible ways and means of accelerating the implementation and came up with a number of valuable recommendations based on those proposed by an experts group meeting held in May 2001. I would like to draw particular attention of the Member States to these recommendations, particularly the ones devoted to further development of the implementation mechanism. In this connection, you would recall that the last COMCEC Session approved the supplementary mechanism, which provided for greater involvement of the OIC institutions in the implementation of the Plan of Action, particularly in assessing the cooperation projects submitted to COMCEC from technical and financial standpoint. It goes without saying that the process needs support and cooperation of the Member States.

The OIC Plan of Action is also based, among others, on the promotion of the private sector through the inclusion of the significant private sector participation in the cooperation projects adopted under the Plan. The role of the private sector in the promotion of intra-OIC trade and economic cooperation has been emphasized in the series of resolutions of the Islamic Summits and Islamic Conferences of Foreign Ministers. We all agree that in order for the private sector to play its expected role an enabling condition will have to be created. It is important to factor in inputs from the private sector in the deliberations at the COMCEC or other intergovernmental levels. The Business Forum, organized on the sideline of the last OIC Summit, brought out important issues for the attention of the Summit. Holding such forums on the sideline of OIC meetings such as the one being held on this occasion will indeed be worthwhile.

I am convinced that these issues and other related ones will undergo thorough deliberations at this Session, which will lead to important conclusions. The two meetings have heavy agenda. We must move forward with determination. We must also recognise that our decisions at COMCEC are only the beginning of the process of greater cooperation. They have to be followed up by agreements and actions. I trust that with the maturity of thought and outlook and the undoubted ability of the distinguished delegates gathered here we will be able to move forward.

I wish the 20th Session of the COMCEC and the OIC Economic Conference great success.

Wassalamu Alaikum Wa Rahmatullahi Wa Barakatuh.

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- 4 -

STATEMENT BY
H.E. SHEIKH MOHAMAD BIN AHMAD BIN JASSEM AL-THANI,
MINISTER OF ECONOMY AND COMMERCE
OF THE STATE OF QATAR
AT THE JOINT OPENING CEREMONY

(Istanbul, 25 November 2004)

Original : Arabic

**STATEMENT BY
H.E. SHEIKH MOHAMAD BIN AHMAD BIN JASSEM AL-THANI,
MINISTER OF ECONOMY AND COMMERCE
OF THE STATE OF QATAR
AT THE JOINT OPENING CEREMONY**

(Istanbul, 25 November 2004)

*In the name of Allah the Merciful and the Compassionate Praise be
to God and prayers and peace upon the most honorable of Messengers
and his kind and all his companions*

Mr. President
Your Excellencies,
Honorable delegates

I have the pleasure at the outset to convey, on behalf of the State of Qatar and on behalf of the Arab group, profound thanks, to the government and people of Turkey for its warm welcome and hospitality. I also wish to express my profuse appreciation to H.E. the President of Turkey and President of the COMCEC, Ahmed Necdet Sezer, for his outstanding effort to strengthen economic corporation between OIC Member States.

Allow me on this occasion to express, on behalf of the Arab group, our sincere condolences to the government and people of the United Arab Emirates for the demise of His Highness Sheikh Zayed Bin Sultan al Nahayan and in this respect recall his wise and sound position in supporting Arab and Islamic right. May Allah have mercy on his soul and may he reside in heaven. Furthermore, I would like to express our sincere condolences to our brothers in the Palestinian Authority and the Palestinian people on the demise of the late President Arafat.

Mr. President,

We convene today on the occasion of the advent of 20 years of the establishment of COMCEC during which numerous important achievements were realized that

consolidate common Islamic action. In this regard, programmes were set up for boosting economic and trade cooperation between Member States such as the Islamic Institution for Insuring Investment, Export Financing Scheme, Islamic Institute for Standards and Metrology for Islamic countries in addition to many other instruments that stimulate investment and commerce. In fact, the COMCEC is a pivotal element for the exchange of ideas and views on major economic issues in the international and regional arena as well as a forum for countries to present their experiences in economic reform in general.

In this context, I would like to express my appreciation to the Turkish Government for holding the economic conference on the occasion of the 20th anniversary of the COMCEC, to review and evaluate the process of common cooperation between Member States and seek to create new mechanisms in this regard, a matter that will boost the economy between Member States.

The choice of the subject on "Facilitation of trade and transport among OIC Member States" as a topic for the current COMCEC session will enable us to exchange views and experiences of our respective countries on the most appropriate means for facilitating intra-trade among Member States. This theme was an appropriate one for expanding intra-trade and access to world markets in order to raise the standard of development in Member States and to keep pace with events in the world in this field. Moreover, I wish to commend the paper presented by Kuwait on "Facilitation of trade and transport among OIC Member States" in the current session.

Mr. President

COMCEC gives special attention to support the private sector considering that encouraging the latter constitutes one of the major economic policies in our countries. In this context, I would like to express my appreciation for the efforts exerted by the Islamic Chamber of Commerce and Industry for organizing the meetings of the private sector. The last meeting was the 10th meeting of the private sector representatives held in the Islamic Republic of Iran for the purpose of learning more about available investment opportunities in Member States as an initial step to conclude and create joint investment projects in diverse fields.

It also gives me pleasure to announce the accession of the State of Qatar to the Framework Agreement of the Preferential Trade System between Member States during this meeting. I would like to express my pleasure for the commencement of the

first round of trade negotiations. This in the hope of achieving aspired objectives, namely expanding intra-trade among Member States.

I avail myself of this opportunity to laud the effective role of the Islamic Development Bank in contributing to economic and social development in Member States and Islamic societies. Moreover, the IDB supports and finances programmes as well as proposals presented by COMCEC through different financing mechanisms, and exerts efforts to promote intra-trade between Islamic States by means of its mechanisms such as the programme for financing exports and imports and its attempts to follow up issues related to WTO by coordinating the position of Member States vis-à-vis issues on the WTO agenda. Consequently, I call upon IDB to intensify its technical training courses and that they be consistent with the real needs of Member States, and to coordinate this with the WTO secretariat.

Mr. President

I also wish who extend my thanks and consideration to the Arab Group for their confidence and choice of the State of Qatar to represent the Arab group in COMCEC.

I would also like to invite all participating delegations to participate in the high level forum on trade and investment under the umbrella of the Group of 77, China and UNCTAD which will be held in Doha on 5-6 December 2004.

It gives me pleasure to invite Member States to participate effectively in the 10th Trade Fair of Islamic States which will be held in the city of Manama in the Kingdom of Bahrain on 5-9 February 2005

In conclusion, I would like to reiterate my thanks and gratitude to the Turkish government for the efforts exerted for the success of this meeting.

- 5 -

**STATEMENT BY H.E. MOHAMAD SHARIATMADARI,
MINISTER OF COMMERCE OF
THE ISLAMIC REPUBLIC OF IRAN
AT THE JOINT OPENING CEREMONY**

(Istanbul, 25 November 2004)

Original: English

**STATEMENT BY H.E. MOHAMAD SHARIATMADARI,
MINISTER OF COMMERCE OF
THE ISLAMIC REPUBLIC OF IRAN
AT THE JOINT OPENING CEREMONY**

(Istanbul, 25 November 2004)

In the Name of God the Merciful, the Compassionate

Excellency Ahmet Necdet Sezer
Distinguished President of the Republic of Turkey,
Honourable Ministers and Heads of Delegations,
Distinguished Secretary General,
Distinguished Delegates,

On behalf of the OIC Asian Member States, I would like to express my gratitude to Excellency Necdet Sezer, the distinguished President of the Republic of Turkey, for his insightful and enlightening address. I should also express my appreciation to the Government of Turkey for its excellent arrangements for holding this important meeting and for the hospitality extended to us. I would also like to thank Excellency Belkeziz, Secretary General of OIC for his statement.

Mr. President,

The last decade of the past century has witnessed the emergence of globalization as an important phenomenon. A number of countries have been able to adjust themselves to the new developments, and have benefited from opportunities presented by globalization. But many developing nations including some of the OIC member states have failed to cope with the challenges that are posed by this process. A number of nations are being threatened by marginalization in the international arena. It is argued that regional cooperation and formations could help partners to better respond to the challenges arising from globalization. Evidently, as the forces of globalization spread and deepen, regional and inter-regional cooperation seems to pick up fresh impetus. Indeed, most of the founding members of the World Trade Organization are now actively forging new regional integrations or deepening the existing ones.

The proliferation, expansion and deepening of regional trade agreements (RTAs) have been significant during the past decade. Today, a total of 215 RTAs are in force. Altogether they accounted for some 40 per cent of the world trade in 2000 and are expected to cover over 50 per cent in 2005. Recent "new-generation" RTAs increasingly cover not only trade in goods, but also trade in services, investment, competition policy, intellectual property rights, environment and development cooperation.

Examples of successful regional trade agreements include North American Free Trade Agreement, the Asia-Pacific Economic Cooperation, ASEAN and the European Union. The EU has evolved from an initial customs union into a vast and powerful economic alliance. In the case of Europe, it has been said that globalization is overshadowed by "regionalization". An enormous fraction of Europe's investment and trade occurs within the region itself a trend which is clearly propelled by the forces of the European Union. Under these circumstance, Islamic Countries need to seek closer economic cooperation within the regional and trans-regional formations drawing on the experience of successful regional groupings in different parts of the world.

Mr. President,

Tariff and non-tariff barriers are of the most important impediments to the trade among developing and Islamic countries. Non-tariff barriers which are more complicated in comparison with tariff barriers are not easily quantifiable and are harmful to trade. Therefore, it is necessary to remove these barriers as soon as possible to pave the way for the expansion of regional trade. In this regard, the framework Agreement on Trade Preferential System among the OIC is a promising measure and its ratification by 14 member states has prepared the ground for its operationalization. It is expected that the accession of other Member States of the OIC to this Agreement could remarkably increase trade among Islamic nations.

Mr. President,

It has been years since the debate on the formation of an Islamic Common Market started within the OIC and its economic institutions, but we still have a long way to go before this goal is materialized. The effective implementation of the Framework Agreement on Trade Preferential System is an appropriate means to such an ideal goal.

I would like to close by expression of thanks to COMCEC and other OIC institutions who have been actively involved in promotion of economic and commercial activities among member states.

I thank you Mr. President.

- 6 -

STATEMENT BY H.E. DR. MOHAMADOU LABARANG,
PERMANENT REPRESENTATIVE AT THE OIC AND
AMBASSADOR IN SAUDI ARABIA OF THE REPUBLIC OF CAMEROON
AT THE JOINT OPENING CEREMONY

(Istanbul, 25 November 2004)

Original : English

**STATEMENT BY H.E. DR. MOHAMADOU LABARANG,
PERMANENT REPRESENTATIVE AT THE OIC AND
AMBASSADOR IN SAUDI ARABIA OF THE REPUBLIC OF CAMEROON
AT THE JOINT OPENING CEREMONY**

(Istanbul, 25 November 2004)

Mr. President,
Honourable Prime Minister,
His Excellency the Secretary General of the OIC,
Excellencies,
Distinguished delegates,
Ladies and Gentlemen,

It is my honour and privilege on behalf of the African Group to extend our sincere thanks and appreciation to the President of the Republic of Turkey, the Government and people of this great country for the wonderful hospitality extended to us since our arrival in this beautiful and historic city of Istanbul on the occasion of the 20th COMCEC Meeting jointly convened with the first Economic Forum for Business within the OIC Member States.

Allow me also to thank and congratulate His Excellency the President for the thought provoking address which undoubtedly will inspire and enrich the deliberations of this meeting aiming at setting a new vision and direction geared towards the objectives and goals of COMCEC.

During the last twenty years, Turkey has exerted laudable efforts to translate the aims of COMCEC into concrete achievements of which we can be legitimately proud. We are therefore convinced that Turkey, being one of leading economies in the Ummah with a viable and efficient private sector can set the pace that will certainly usher in a new vision for our economic and social development policies.

Mr. President
Excellencies,

For the past years inspite of all our efforts to bring in synergy among our diverse economies some countries, especially those from the African continent, are finding it difficult to fit in because of structural deficiencies and other historical reasons. These weaknesses are manifold, among which are the ineffectiveness of relevant legislation to harness the efforts of our private sectors, insufficient funding for the private sector, and the inability of our private sector to cope with the realities of globalization.

Therefore, the challenges ahead of us are clear. COMCEC should, as a matter of priority, address the aforementioned issues in devising new strategies to reinforce real solidarity among the member countries of the OIC and we, in the developing countries, do hope that new strategies envisaged will address those challenges.

Mr. President,

On behalf of the African Group let me once again thank you and your country for your unflinching and consisting support for COMCEC and the OIC.

Thank you.

- 7 -

STATEMENT BY H.E. DR. AHMAD MOHAMED ALI
PRESIDENT OF
THE ISLAMIC DEVELOPMENT BANK
AT THE JOINT OPENING CEREMONY

(Istanbul, 25 November 2004)

**STATEMENT BY H.E. DR. AHMAD MOHAMED ALI
PRESIDENT OF
THE ISLAMIC DEVELOPMENT BANK
AT THE JOINT OPENING CEREMONY**

(Istanbul, 25 November 2004)

*Bismillah Arrahmani Arrahim
Praise be to Allah and Prayers and Peace be upon on Prophet Mohamed,
Seal of The Prophets and Messengers, and upon his Kin and
all his Companions.*

Honorable President Ahmet Nejdet Sezer, President of the Republic of Turkey and President of the COMCEC.

Your Excellency Abdelouahed Belkeziz, the OIC Secretary General,

Your Excellencies,

Honorable Members of Delegations,

Brothers and Sisters

Assalamu Alaikum wa Rahmatulla wa Barakatu,

It gives me great pleasure and honor in this august assembly, on behalf of your Institution, IDB, to address this distinguished gathering by expressing profound thanks and appreciation to the Republic of Turkey, its President, government and people for according their support and assistance to your Committee and for the warm welcome and hospitality extended to the participating delegations as well as the excellent arrangements we have been accustomed to namely, to ensure the success if this meeting. The efforts you exert in this concern are but evidence of your continuous support for joint Islamic action and your earnest desire to forge cooperation between OIC Member States.

In fact, this effort had a tremendous impact on the significant participation of Member States and other Institutions and Organisations in the activities of your esteemed Committee. Our heartfelt thanks go also to the COMCEC secretariat for inviting the IDB to participate in this vital meeting so that we may all contribute to achieving the noble goals of our Ummah.

Mr. President,

Your praiseworthy speech delivered in this meeting that incorporated numerous important guidelines and valuable ideas will certainly enrich our discussions and will be the cornerstone in formulating the proposals and recommendations that will be made in this meeting in order to strengthen the common Islamic process and serve the lofty interests of Member States.

I would also like to commend the valuable speech of the dear brother Dr. Abdelouahed Belkeziz, Secretary General of the Organization of the Islamic Conference, for the sound ideas and comprehensive review on the reality of Islamic common action and challenges confronting it.

I avail myself of this opportunity to praise the great efforts and continuous activity undertaken by brother Dr. Abdelouahed Belkeziz, during his tenure for two years as Secretary General of the Organization and welcome his successor, brother and friend Ihsanoglu wishing him every success to continue exerting valuable efforts the quest to promote cooperation and solidarity in the benefit of the Ummah and Mankind as a whole.

Mr. President,
Your Excellencies,
Brothers and Sisters,

It is indeed an opportune time that this meeting convenes in conjunction with the occasion of the 30th Anniversary of the establishment of the COMCEC next Sunday. It is an era characterized by the realization of valuable achievements in common economic and trade activities. It is an opportunity to examine the past stage in terms of the process of common economic action and attempt to evaluate what was achieved and what failed to be achieved, with all its positive and negative dimensions, in order to enhance what was accomplished, learn from unsuccessful experiences and seek to overcome problems and obstacles that confronted your esteemed Committee. This will enable us to envision together all issues of concern and to prepare ourselves for future stages of common action.

The successive circumstances and changes that swept over the world economy under the concept of globalization and its impact and repercussions on the economies of our

Member States have multiplied our responsibility and demands the adoption of appropriate recommendations and resolutions to be in line with these developments and respond to the needs and requirements of our Member States.

It gives me pleasure to seize this opportunity to praise the fruitful cooperation between the COMCEC and IDB embodied in numerous joint initiatives, for example, the establishment of the Islamic Cooperation for the Insurance of Investment and Export Credit (ICIEC) as well as the Export Finance Scheme and other important initiatives undertaken by COMCEC. Those are all landmarks in joint Islamic action and undeniable proof for the special role and efforts exerted by your esteemed Committee.

The latest cooperation between the Bank and COMCEC was the organization of the Economic Conference of the OIC Member States concurrently with this session of your Committee to provide a platform for prominent businessmen, experts and officials from Member States. Hence, they may carry out discussions, consultations and exchange views on assessing the reality of joint cooperation between our Member States, by reviewing achievements realized by the COMCEC during the past 20 years and its future prospects. The conference also aims at motivating the private sector to play a pivotal role in the economic development of our Member States, particularly those related to investment and trade in a bid to give impetus to common Islamic action. This Conference will also review OIC agreements on economic and trade cooperation in order to reinforce its mechanisms.

The IDB is certain that this Conference will attain tangible results that will promote cooperation between Member States. We hope that the recommendations of the Businessmen Forum, organized within the activities of this Conference, will be given due attention by your esteemed Committee and Member States to enable its implementation. Adopting practical steps in this area will motivate businessmen to assume a vital role in bolstering economic and trade cooperation between Member States and ensure the credibility of Islamic joint endeavor. It also gives me pleasure to commend the efficient and excellent organization and management of this Conference.

Mr. President,
Your Excellencies,
Brothers and Sisters,

By The Grace of God and owing to your support and directives, your institution, the IDB, has during the past thirty years accomplished numerous achievements through its diverse programmes and outlets and according to available capabilities. The Bank has become an outstanding symbol in joint Islamic action as an International Institution which enjoys a good reputation and prominent position at all levels. This was indicated by rating it for the second consecutive time on the 4th of October 2004 by Standard & Poor's institution for rating services, one of the renowned agencies for rating the risks of international credit. The Bank was confirmed for long term credit rating "AAA" and short term "A -1 +". It was the highest rating among multilateral development banks free of risk.

This category includes The World Bank group, Asian Development Bank, African Development Bank, and the European Bank for Construction and Development. This distinctive credit rating is based on the strong support enjoyed by the Bank from shareholders owing to the Bank's efficient performance in credit portfolios. In fact, the Bank would not have reached such a remarkable status had it not been for the continuous support of Member States and the close cooperation of OIC with its relevant institutions, particularly your esteemed Committee. The Bank, God willing, will maintain its distinguished position with your support.

The Islamic Development Bank, as you know, has managed to access the international capital markets through the primary issuance of Sokouk (bonds) in conformity with the rules of Islamic Sharia and raised 400 million US \$ in August 2003.

The Bank managed within a short period to allocate all the resources through this issuance to finance development projects in Member States. The Bank is currently preparing a second issuance of Islamic Sokouk in the first quarter of 2005 as part of its strategy to mobilize resources and considers the possibility of issuing short term Sokouk for trade financing.

Mr. President,
Your Excellencies,
Brothers and Sisters,

Allow me to briefly point out the outstanding characteristics of the Bank's activities during the year 1425 H:

Well aware of the importance of encouraging intra OIC trade and in accordance with the resolution adopted by the Eighth Islamic Summit on preparing the Ummah for the 21st Century, the Banks carried out numerous procedures and steps in the field of financing and development as well as the quality of its financial instruments by introducing a two-step Murabaha and syndicated loans and stepping up intra trade by means of the Programme for Cooperation and Trade development. In this respect the Banks took the following measures during the period 1420 - 1424 H:

It approved a net amount of 5.81 billion US dollars within the framework of financing imports, 759 million US dollars for the programme for financing exports, 801 million US dollars from the portfolio of Islamic Banks, 347 million US dollars from the Investment Quota Fund. It is worthy to note that the amount allocated for trade financing in 1424 H reached 2.03 billion US dollars under the four programmes previously mentioned as compared to 1.86 billion US dollars for 1423 H, that is a growth rate of 9 %.

- It allocated the sum of 3.14 million US dollars for the programme on commercial cooperation and promotion of trade. It is worth mentioning that the allocated resources for this programme were utilized in financing studies, organizing and supporting trade fairs and seminars as well as affording technical support for upgrading trade capacities in the least developed Member States.
- It allocated 5.3 billion US dollars for supporting intra imports and exports, that is at a rate 70 % from the total amount earmarked in the import and export programmes.

Mr. President,
Your Excellencies,
Brothers and Sisters,

Realizing the growing need of Member States for financing exports, the Bank lately held a Seminar on reviewing its programme for financing exports and finding ways

and means to promote its effectiveness. One of the Seminar's most important recommendation was to focus on financing before loading, reviewing the criteria for selecting local agencies for improving services, promoting cooperation with export financing agencies through joint financing. The Bank will diligently seek to benefit from the recommendations of this Seminar in drawing up future plans for the export financing programme.

However, the success of IDB programme for trade financing and developing trade in a bid to increase the volume of intra trade between Member States at the rate we desire, in accordance with the OIC Plan of Action in this field, greatly depends on other complementary procedures and steps that should be undertaken by Member States. One of the most important steps is to draw up policies for lifting tariff and non tariff barriers which obstruct the flow of intra-trade, strengthen export capacities and promote bilateral payment systems through the Preferential Trade Agreement System of OIC Member States.

The Bank took several measures to enhance the utilization of trade financing schemes and upgrade their efficiency especially by not confining its currency in financing export operations to the US dollar by allowing the use of the Islamic Dinar, the Euro, Sterling and Japanese Yen. In order to enhance the export capacities of Member States, the Bank expanded its Export Financing Scheme to include industrial entrants before shipment. Within the same context and in order to promote intra-trade, the efforts exerted by COMCEC and the Islamic Centre for Trade Development succeeded by the entry into force of the Framework Agreement and the beginning of the first round of negotiation to establish the Trade Preferential System between OIC Member States. It gives me pleasure in this respect to express my gratitude to the Turkish Republic for hosting the first Round and for its efforts towards its success.

Mr. President,
Your Excellencies,
Brothers and Sisters,

The Islamic Cooperation for the Insurance of Investment and Export Credit (ICIEC), the creation of which is a fruitful result of your esteemed Committee's guidelines and one of the Bank's institutions, continues to encourage the exports of Member States and motivates the flow of investments amongst them by providing insurance on risks related to export credits and national risks related to investments. The Corporation expanded its coverage to include the exports of Member States to non Member States .

It is now studying the possibility of covering investments of non Member States in Member States to motivate the flow of investments.

The Corporation gives particular importance to developing its relationship with similar institutions in Member States particularly export guarantee agencies by means of extending reinsurance on risk services to which it subscribes and gives it technical assistance. The Corporation also gives special importance to improving its relationship with banks and financial institutions in Member States. This realizes the integration of both insurance and financing in the interest of beneficiaries and investors in Member States. On this occasion, I urge financial authorities in Member States to support the corporation efforts in this regard by encouraging commercial banks to accept the insurance afforded by the Corporation as guarantee for its financial operations.

In accordance with the directives of your esteemed Committee the IDB continues to extend technical assistance to OIC Member States on issues related to WTO in a bid to upgrade its human and institutional capacities and prepare them for the forthcoming multilateral trade negotiations. Since the beginning of the programme and up to date, the Bank organized nearly 40 activities in terms of seminars, workshops and rounds and held 19 consultative meetings, the last held on 13th October 2004, to the benefit of the Geneva based Member States missions in which the Frameworks Agreement "July Package" was highlighted and reached at the end of July 2004. This meeting included discussions and exchange of ideas between Member States with a view to set forth a common vision on major issues before resuming the multilateral trade negotiations.

Mr. President,
Your Excellencies,
Brothers and Sisters,

As you know this Royal Highness Prince Abdullah Bin Abdelaziz, Crown Prince of Saudi Arabia and Head of the Saudi delegation to the 10th Islamic Summit Conference which was held last week in Putrajaya, Malaysia, proposed an important initiative to enhance intra-trade and joint investment between OIC Member States. Moreover, the Bank, during its 29th meeting of the Board of Governors held in Tehran last September received a message from His Excellency the Minister of State for Financial and Industrial Affairs, and Alternate Governor of the United Arab Emirates in which he proposed the establishment of an Islamic Institution for Trade Financing. In this context, the Banks entrusted a Consultative Bureau to prepare a comprehensive study on the best alternatives for promoting the effectiveness of the Trade Financing

Programme. The results of this study will be submitted to the Bank before the end of this year, God willing.

Recognizing the importance of promoting Islamic financial activity and its mechanisms, the Bank pursued its support of Islamic banks so that they may actively participate in the comprehensive development aspired by our Ummah. In fact, the Bank contributed in upgrading the criteria and procedures related to Islamic mechanisms by playing a pioneer role in creating numerous institutions, the last being the international Islamic Centre for Commercial Conciliation and Arbitration whose headquarters was kindly hosted by the United Arab Emirates. It gives me pleasure, on this occasion to express my sincere thanks and appreciation to the United Arab Emirates for hosting this important Centre which is considered to be a new input in erecting institutional frameworks to support Islamic banking.

Mr. President,
Your Excellencies.
Brothers and Sisters.

Your institution, the IDB has the pleasure and honour to continue to cooperate with your esteemed Committee and will spare no effort. God willing, to achieve the noble goals you are pursuing.

In conclusion, I would like to take this opportunity, to express my thanks, appreciation and gratitude to Your Excellency Mr. President and to their Excellencies the Ministers in Member States for the continuous support that the Bank receives to remain a symbol of solidarity and integration among Member States. I pray to Allah the Almighty to crown this Meeting with success.

Wassalamu Alaikum wa Rahmatullahi wa Barakatu.

-8

STATEMENT BY MR. M. RIFAT HISARCIKLIOGLU,
PRESIDENT OF THE UNION OF CHAMBERS AND
COMMODITY EXCHANGES OF THE REPUBLIC OF TURKEY
AT THE JOINT OPENING CEREMONY

(İstanbul, 25 November 2004)

Original: Turkish

**OPENING SPEECH OF MR. RIFAT HISARCIKLIOĞLU
PRESIDENT OF THE UNION OF CHAMBERS OF COMMERCE AND
COMMODITY EXCHANGES OF TURKEY
AT THE 20TH SESSION OF COMCEC**

(Istanbul, 25 November 2004)

H.E. the President of the Republic of Turkey,
H.E. the Secretary General of the OIC,
Honorable Ministers,
H.E. the President of IDB,
Distinguished Ambassadors,
Esteemed Guests,

I would like to welcome you to the Twentieth Session of the Standing Committee for Economic and Commercial Cooperation (COMCEC) of the Organisation of the Islamic Conference (OIC). In accordance with the request of H.E. the President of the Republic of Turkey, a Business Forum has been organized concurrently with the COMCEC Session

We share and agree with the views of the President concerning the necessity of a greater role of the businessmen in this forum aiming at an enhanced commercial integration among our countries. Approximately 250 businessmen from 40 countries participated in this Business Forum with extremely productive results.

These results will be discussed this afternoon during a joint meeting of ministers and businessmen. We consider that these results are very important because we believe that the economic performance of the Islamic countries does not reflect our real potential

The share of the Islamic countries foreign investments in developing countries which was 25% in 1990 dropped to 10% last year. While the exports of developing countries increased 2.6 fold in the same period, the increase in the exports of Islamic

countries, excepting Turkey, Malaysia and Indonesia, was only 1.7 fold. These figures show that we, the Islamic countries, do not benefit sufficiently from the globalization process. But on the other hand, this also proves the existence of great opportunities and an economic potential waiting to be developed in our countries. We cannot expect this potential to be developed only by politicians. As businessmen we have to be aware of our responsibilities.

The main reason reason for the failure to take the required steps is that we, businessmen, the prime stakeholders, have not been actively involved in the negotiation and decision making processes. The way to solve the economic problems of our countries is through the active participation of businessmen in decision making. We businessmen are the ones who should draw up the agenda required for the innovation of our economies. We have to design and implement our economic reform programs instead of waiting for others to do it. History has shown time and again that reform programs devised and imposed from the outside have never been successful in the long run.

The discussions during this meeting have shown me that we think alike, that we have pinpointed our problems correctly, that we have faith in our ability to succeed, and, as you know, believing is one half of the road to success.

Mr. President,
Mr. Secretary General,
Distinguished Ministers,
Esteemed Guests,

The participation of the business community in the decision making process has been on the agenda of the Organisation of the Islamic Conference for years. However, it is impossible for businessmen to make such a decision on their own. It is only through institutional mechanisms representing them that they can fulfill this duty. It is only through such mechanisms that they can participate meaningfully in the debates, it is only in this way that they can support economic reform programs. The mechanism to ensure all this is the Chambers system.

We would advise to start a chain of projects for the development of Chambers for Islamic countries. The Turkish experience has shown that a properly functioning Chambers system is based on two fundamental conditions: Compulsory Membership

and Democratic Elections. The Chambers of Commerce will thus have an extensive coverage and be the true representatives of the whole business community in endorsing reform programs. Moreover, it will thus be possible to obtain local support for economic reform programs. The Turkish Union of Chambers of Commerce and Commodity Exchanges, has a 125 years-long tradition and 1.200.000 members, which makes it an important actor in the reform process of our country as the representative of the business community of Turkey.

The Union also plays an active role in the development of the local and international relations of the business community. The Union of Chambers and Commodity Exchanges of Turkey has recently taken important steps toward extending the scope of its service.

In this connection, accreditation and programs for the development of chambers have been organized in cooperation with Eurochambers, the European Union of Chambers, which represents 1.500 chambers and 17 million enterprises from 43 countries. Eleven of our Chambers have obtained accreditation in the European Chambers system and 27 Chambers have participated in projects on foreign trade development, local development, quality and foreign relations of small and medium enterprises. We would like to share these experiences with Islamic countries.

We, the real stakeholders, that is the businessmen, can help you to be involved in the establishment of institutional structures. We are ready to prepare projects for the development of chambers in cooperation with Chambers of Islamic countries. We are also ready to contribute to the strengthening of the Islamic Chamber of Commerce and Industry, of which we are all members, and transform it into a communications and coordination Center for the Chambers of Islamic Countries.

We moreover believe that the participation of the Islamic Chamber of Commerce and Industry in the "Global Chamber Platform" in the framework of Eurochambers would be extremely beneficial at a time when affiliation to international institutions acquires more importance due to globalization.

We are in a position to give support to the affiliation of the Islamic Chamber of Commerce and Industry to Eurochambers, of which the Union of Chambers and Commodity Exchanges of Turkey is a member, while I myself am a member of its Executive Council.

Mr. President,
Mr. Secretary General,
Distinguished Ministers,
Esteemed Guests,

If the private sector wants to have an active role in the debates on economic policies, our first priority is to gain wider knowledge. We therefore have to promote research in the field of economic policies. I would like to especially draw your attention to the fact that we need, apart from public officials, an Expert Group able to prepare proposals for economic policies. This is the only way to have a change of policy to support the private sector in Islamic countries.

The Union of Chambers and Commodity Exchanges of Turkey has taken the first step towards the development of economic policies research by creating the TOBB Economic Policies Research Institute of Turkey. We strongly believe in the need to create similar research centers in other Islamic countries with the support of the private sector, working in cooperation with our Institute, to perform the necessary research on economic policies. We hope to be able to enrich next year's Economic Forum with meetings to assess the results of the work of the Institutes.

We propose a program that, contrary to what has been done for years, can be measured and followed up. Let us take care of such a program, let us assess what we have accomplished during next year's meeting. Mevlana wisely says: "All yesterday's words have disappeared with yesterday. We now need new words". Our duty as businessmen is not to complain but to make proposals and follow up on our concrete proposals. This is not a time for waiting but a time for urgent action. Either we draw up a new road map or we admit defeat.

Mr. President,
Mr. Secretary General,
Distinguished Ministers,
Honourable Guests,

We are businessmen. We are traders. We know nothing of politics. But we know what has to be done to increase income, to raise the welfare level of our countries. Our principles are extremely simple. Trade does not like war or instability. Trade wants peace and stability. The way to create peace and stability in our countries, in the regions where we live, is to abolish the obstacles which hinder businessmen. We

know how to enlarge the pie. A bigger pie, that is increasing welfare, is the fundamental and structural solution to all social problems and injustice.

In conclusion, I would like to extend my thanks to the President of the Republic of Turkey, to the Secretary General of the OIC, to our distinguished ministers, to the State Planning Organisation which acts as the Secretariat of the COMCEC, to TICA, the IDB and the Islamic Chamber of Commerce and Industry.

I take this opportunity to also thank the participants of the Business Forum who traveled from their respective countries to Istanbul to contribute to proposals for the future of the Islamic world.

- 9 -

AGENDA
OF THE TWENTIETH SESSION
OF THE COMCEC

(Istanbul, 23-27 November 2004)

**AGENDA
OF THE TWENTIETH SESSION OF THE COMCEC
(Istanbul, 23-27 November 2004)**

1. Opening Session
2. Adoption of the Agenda
3. Background Reports
 - i. Background Report by the OIC General Secretariat
 - ii. World Economic Developments with Special Reference to OIC Member Countries by SESRTCIC
 - iii. Supporting the Reform of the International Financial Architecture by SESRTCIC
 - iv. Report of the Follow-up Committee by the COMCEC Coordination Office
 - v. Review of the Implementation of the Plan of Action
 - a) Report of OIC General Secretariat
 - b) Report of the Sessional Committee
 - vi. Promotion of Cooperation among the Stock Exchanges of the OIC Countries
4. Reports by IDB and ICDT on the Expansion of Intra-OIC Trade
5. Proposal on Gold-based Trade Payment Arrangements (GTPA) for the Promotion of Intra-OIC Trade
6. Report of the Trade Negotiating Committee for Establishing Trade Preferential System among the OIC Member States
7. Reports by ICDT and IDB on the Matters related to World Trade Organization Activities
8. Report by ICCI on the Eleventh Private Sector Meeting among OIC Member Countries
9. Report by ICDT on Trade Fairs of Islamic Countries
10. Exchange of Views on the "Trade and Transport Facilitation among the OIC Member Countries".
11. Matters Related to Economic Assistance to Some Islamic Countries
12. Renewal of the Members of the COMCEC Bureau
13. Date of the Twenty-first Session of the COMCEC
14. Any Other Business
15. Adoption of the Resolutions of the Twentieth Session of the COMCEC
16. Closing Session

- 10 -

TEXT OF PRESENTATION BY H.E. DR. AHMET TIKTIK,
UNDERSECRETARY OF THE STATE PLANNING ORGANIZATION
OF THE REPUBLIC OF TURKEY AND CHAIRMAN OF THE SENIOR
OFFICIALS MEETING ON THE OUTCOME OF THE EXCHANGE OF
VIEWS ON "TRADE AND TRANSPORT FACILITATION AMONG
THE OIC MEMBER COUNTRIES"

(Istanbul, 26 November 2004)

Original: English

**TEXT OF PRESENTATION BY H.E. DR. AHMET TIKTIK
UNDERSECRETARY OF STATE PLANNING ORGANIZATION
OF THE REPUBLIC OF TURKEY AND CHAIRMAN
OF THE SENIOR OFFICIALS MEETING ON THE OUTCOME OF THE
EXCHANGE OF VIEWS ON "TRADE AND TRANSPORT FACILITATION
AMONG THE OIC MEMBER STATES"**

(Istanbul, 26 November 2004)

Mr. Chairman,
Excellencies,
Distinguished Delegates,

I would like to submit to the august house a summary of the observations and recommendations made by the senior officials on the subject of this year's Exchange of Views, namely, Trade and Transport Facilitation among the Member States.

During the discussions on the subject, the Senior Officials have considered various aspects of the trade and transport facilitation among the OIC member states, and made several observations and recommendations.

The senior officials have observed, among others that:

- Member countries need to harmonize their national and regional legislatures and procedures in line with the existing international regulations to facilitate trade and transport among themselves;
- It is important for the member countries to take necessary steps to improve and develop proper infrastructures for air, maritime, road and railway transport to facilitate trade and commercial exchanges among themselves;
- Member countries should effectively utilize information and communication technologies (ICT) for facilitation of trade and transport;
- It is important for the Member states to allocate adequate financial resources and seek the support of international and regional financial

institutions to mobilize necessary funding for the improvement and building an adequate infrastructure and capacity in trade and transport;

Member states need to train human resources for trade and transport facilitation and information and communication technologies (ICT);

Finally, the senior officials agreed that the member states should exchange their experiences in the field of trade and transport facilitation and seek the technical support of the relevant international organizations in this field.

Mr. Chairman,
Excellencies,
Distinguished Delegates,

Senior officials have also agreed on a number of specific recommendations with a view to improving the practice and effective utilization of trade and transport facilitation among the OIC member states, the notable ones of which are the following:

1. Member states are encouraged to effectively coordinate their positions at international forums on matters related to trade and transport facilitation;
2. Member countries are invited to take regional and sub-regional initiatives for trade and transport facilitation in their respective regions
3. Member countries are called upon to develop transit corridors for all modes of transportation under such regional and sub-regional initiatives;
4. Member states are called upon to facilitate Cross-border trade by effective utilization of Information Technologies;
5. Last but not least, the senior officials recommended that member states who have not get done so, should become party to WCO Revised Kyoto Convention, and to follow up developments within the WTO regarding trade and transport facilitation.

The points of agreement and recommendations which came out of the discussions of the senior officials, some of which I have just submitted to you, are incorporated into the Draft Resolution Number One, already made available to you in three languages.

This completes my presentation on the outcome of this year's Exchange of Views Session, held at the level of Senior Officials.

Thank you.

- 11 -

RESOLUTION (1)
OF THE TWENTIETH SESSION OF THE COMCEC
(İstanbul, 23-27 November 2004)

Original :English

**RESOLUTION (1)
OF THE TWENTIETH SESSION
OF THE COMCEC**

(Istanbul, 23-27 November 2004)

The Twentieth Session of the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Conference (COMCEC), held in Istanbul from 23 to 27 November 2004;

Expressing deep condolences at the sad demise of H.H. Sheikh Zayed Bin Sultan Al-Nahyan, Amir of Abu Dhabi and President of the United Arab Emirates and H.E. Mr. Yasser ARAFAT, President of the State of Palestine.

Recalling the relevant Resolutions of the OIC Summit Conferences and the Islamic Conferences of Foreign Ministers;

Recalling in particular the emphasis laid by the 10th Islamic Summit Conference, held in Putrajaya, Malaysia from 16 to 18 October 2003, on further enhancing economic cooperation among the OIC Member States;

Recalling the Strategy and Plan of Action to Strengthen Economic and Commercial Cooperation among the Member States of the Organization of the Islamic Conference, approved by the Tenth Session of the COMCEC and endorsed by the Seventh Islamic Summit Conference;

Taking into consideration the resolutions adopted at the previous Sessions of the COMCEC and the recommendations made at the Twentieth Meeting of its Follow-up Committee;

Reaffirming the commitment to removing all obstacles to closer economic and commercial cooperation among OIC Member States;

Having considered the current international situation and its economic and financial repercussion on the OIC Member States;

Taking into consideration the Resolution adopted at the Tenth Session of the COMCEC calling for holding an exchange of views at the annual COMCEC sessions on important world economic developments concerning Member States;

Taking cognizance of the need to follow up the outcome of the exchange of views sessions and coordinate the positions of Member States in relevant international fora in the areas covered at these sessions;

Reaffirming the commitment of Member States to the strengthening of the intra-regional trading system through mutual economic cooperation and progressive trade liberalization for the development of economic infrastructure; and **recalling** the related decisions of the COMCEC that the subject be on its agenda as a permanent item;

Recognizing in this respect the need for more cooperation and coordination among OIC Member States to ensure an increase in their share of the world trade;

Expressing its satisfaction at the entering into force of the Framework Agreement on Trade Preferential System among the OIC Member Countries (TPSOIC) and the launching of the First Round of Trade Negotiations;

Noting the background and progress reports, working papers, studies submitted by the OIC General Secretariat, the COMCEC Coordination Office, the Statistical, Economic and Social Research and Training Center for Islamic Countries (SESRTCIC), the Islamic Center for Development of Trade (ICDT), the Islamic Development Bank (IDB) and the Islamic Chamber of Commerce and Industry (ICO) on the agenda items.

I. Background Reports

(Agenda Item: 3)

(i) *Background Report by the OIC General Secretariat* **(Agenda Item: 3.i)**

1. Expresses its appreciation for the Background Report by the OIC General Secretariat (OIC/COMCEC/20-04/D(1)) on the progress achieved by Member States and OIC institutions in the field of economic and commercial cooperation.

2. **Notes with satisfaction** that the Export Financing Scheme and the Islamic Corporation for the Insurance of Investments and Export Credit established by the Islamic Development Bank are functioning successfully; and urges Member States that have not yet done so to benefit from these programmes.

3. **Appreciates** that the ICDT has reviewed the structure of the Trade Information Network for Islamic Countries (TINIC) that is accessible through the Internet, **recommends** to Member States to make full use of it and **requests** Member States to provide ICDT with data relating to trade, investment statistics and regulations.

4. **Emphasizes** the importance of OIC Agreements and Statutes in the area of economic and commercial cooperation. In this connection, **urges** Member States, that had not yet done so, to sign and ratify the Agreements as early as possible, particularly the Framework Agreement on the Trade Preferential System Among Member States of the OIC (TPSOIC) so as to facilitate the participation of member states in the on-going first round of trade negotiations.

5. **Appreciates** the efforts made by the OIC institutions working in the area of economic and commercial cooperation, namely, the Statistical, Economic and Social Research and Training Center for Islamic Countries (SESRTCIC), the Islamic Center for Development of Trade (ICDT), the Islamic Development Bank (IDB), the Islamic Chamber of Commerce and Industry (ICO), and the Organization of Islamic Ship-owners Association (OISA), and **appeals** to Member States to give the needed support and assistance and to meet their financial obligations to these institutions so that they may continue to perform their functions effectively.

(ii) World Economic Developments with Special Reference to OIC Member States (Agenda Item: 3.ii)

6. **Expresses thanks and appreciation** to SESRTCIC for preparing, in accordance with the decision of the 12th Session of the COMCEC, annual economic reports on the OIC countries (OIC/COMCEC/20-04/D(2) containing recent information on economic and related developments concerning Member States.

7. **Takes note** of the Report of SESRTCIC on the recent world economic developments and the implications for the OIC Member States, which has drawn the following salient conclusions;

- i. While global recovery now appears under way in almost all regions, its pace and nature in individual countries and regions vary significantly, reflecting differing degrees of policy stimulus,
 - ii. The average economic performance of the group of OIC countries, as a group, remained below that of all the developing countries as a group showing more vulnerability to the adverse external shocks in the world economy such as the financial crises, fluctuations in international trade and instability in financial flows,
 - iii. A number of serious challenges are still confronting the OIC countries' efforts to enhance their economic progress and increase their share in the world economy which range from high levels of external debt to high levels of poverty,
 - iv. There is a need in many OIC countries for creating a more practical, equitable and transparent development strategies and economic structural reforms with the active participation of the private sector and the civil society.
8. **Entrusts** SESRTCIC to continue to monitor world economic developments and their implications for the OIC Member States and report to the annual sessions of the COMCEC.

*(iii) Supporting the Reform of the International Financial Architecture
(Agenda Item: 3.iii)*

9. **Expresses thanks and appreciation** to SESRTCIC for preparing, in line with the Resolution No. 2/30-E adopted at the 31st Session of the Islamic Conference of Foreign Ministers held in Tehran, Islamic Republic of Iran, the Report on the International Financial Architecture, particularly from the point of view of its implications for the OIC Member States (OIC/COMCEC/20-04/D(5)).

10. **Takes note** of the Report of SESRTCIC regarding the International Financial Architecture and its implications for the OIC Member States, which has drawn the following salient conclusions:

- i. Since the reform process of the international financial architecture is still underway, the OIC countries should be more involved in that process, particularly the criteria formation process at the international level such

as the capital measurement undertaken by the Basel Committee on Banking Supervision,

- ii. In order to enhance the soundness and supervision capacities of their financial systems, as a prerequisite for maintaining financial stability, the OIC member countries are recommended to become more attentive to the international standards in this regard such as the Basel Core Principles framework,
- iii. As the stability of the global financial architecture requires continuous access to external funds for financing the physical investments and growth in the individual economies, the OIC member countries are recommended to adopt and implement the appropriate measures that enable them to increase their public and private investments,

11. **Entrusts** SESRTCIC to continue to follow-up and study developments on the subject and their implications for the Member States and report to the next Session of the COMCEC.

(iv) Report of the Follow up Committee (Agenda Item: 3.iv)

12. **Expresses its appreciation** to the Government of the Republic of Turkey for hosting the 20th Meeting of the Follow up Committee.

13. **Also thanks** the COMCEC Coordination Office for preparing and disseminating the Report of the Follow up Committee (OIC/COMCEC-FC/20-04/REP) to the Member States and the relevant OIC institutions.

14. **Endorses** the recommendations made by the Follow up Committee at its 20¹ Meeting.

(v) Review of Implementation of the Plan of Action (Agenda Item: 3.v)

a) Report by the OIC General Secretariat

15. **Appreciates** the Report entitled Review of Implementation of the Plan of Action (OIC/COMCEC/20-04/D(7)) submitted by the OIC General Secretariat and

requests the OIC General Secretariat to continue submitting at the Annual Sessions of the COMCEC a periodical review on the implementation of the Plan of Action.

16. **Requests** the Member States that have already offered to host sectoral experts group meetings to expedite the convening of the said meetings; and further requests the Member States offering to host the Experts Group Meetings do so within a specified time period of two years, at the end of which it can be open to other Member States willing to host the same meeting.

17. **Appeals** to Member States to come forward with proposals for hosting sectoral or inter-sectoral Expert Group Meetings in the priority areas of the Plan of Action, where no EGM has so far been held.

18. **Takes note** of the review undertaken by the Sessional Committee at its fourth and fifth meetings on the project proposals listed as annexure to the Report of the implementation of the Plan of Action and **approves** in principle the deletion of the projects listed in paragraph 16 of the Report of the 5th Sessional Committee Meeting as contained in document No.OIC/COMCEC/20-04-SC.REP.

19. **Further makes provision** for the Member States that were proponents of project proposals that are proposed to be deleted may wish if they so desire to communicate to the COMCEC Coordination Office prior to the next follow-up Committee Meeting their wish to maintain their project proposals giving details in the format of project profile.

20. Also **takes note** of the presentation of the project proposals by the concerned institutions of the Republic of Turkey in the prescribed format of project profile and **requests** the Republic of Turkey as the proponent of these projects to form the project committees as envisaged in the Plan of Action.

21. **Reaffirms** the importance of the need to develop regionally-based projects by a group of Member States in a particular region to get the support of the regional institutions and, accordingly, **stresses** the importance to ensure the active involvement of regional institutions such as the Economic Cooperation Organization (ECO), the Gulf Cooperation Council (GCC), and the Arab Maghreb Union (AMU) in future experts group meetings.

22. **Reaffirms** also the need to involve the private sector in developing cooperation projects for consideration by the expert group meetings to be held under the various priority areas identified in the Plan of Action.
23. **Calls upon** the concerned OIC institutions working in the field of economic and commercial cooperation under the auspices of the COMCEC to continue to extend the necessary assistance to Member States, and **appreciates** the assistance already offered by them.
24. **Expresses thanks** to the Republic of Turkey and the IDB for having successfully organized the OIC Economic Conference in conjunction with the 20th Session of COMCEC.
25. **Takes note** of the Final Communique of the OIC Economic Conference and **calls for** its implementation.

(vi) Promotion of Cooperation among the Stock Exchanges of the OIC Member States (Agenda Item: 3.vi)

26. **Notes with appreciation** the Report submitted jointly by SESRTCIC and ICDT on the "Stock Exchange Alliances and Cooperation Among the OIC Member States" (OIC/COMCEC/19-03/D(8)).
27. **Takes note** in particular of the following conclusion reached in the joint report: "The creation of a mechanism for cooperation among the stock exchanges of the OIC countries is an important project which is vital for OIC economic cooperation, in general, and for enhancing investment opportunities in the OIC countries, in particular".
28. **Requests**, Istanbul Stock Exchange (ISE), upon the offer of the Representative of the Republic of Turkey, to hold a meeting of representatives of the stock exchanges from Member Countries to prepare the ground for launching a framework of cooperation among the Stock Exchanges in the OIC countries in close cooperation with the IDB, SESRTCIC, ICDT and ICCL.

29. **Entrusts** SESRTCIC and ICDT to continue to follow-up and study developments on the subject and their implications for the Member States and report to the next Session of the COMCEC.

**II. Reports by IDB and ICDT on the Expansion of Intra-OIC Trade
(Agenda Item: 4)**

30. **Appreciates** the reports submitted by IDB and ICDT on the expansion of intra-OIC trade (OIC/COMCEC/20-04/D(10) and (OIC/COMCEC/20-04/D(4).

31. **Notes with satisfaction** the steps taken by IDB through its operational plans to mobilize the needed resources under four schemes, namely the Import Trade Financing (ITFO), the Export Financing Scheme (EFS), the Islamic Bank Portfolio (IBP), the Unit Investment Fund (UIF) and the two mechanisms (two steps murabaha and syndication); and appreciates also the continuous efforts of IDB in this regard enabling it to finance an amount of US \$5.03 billion in favour of intra-OIC trade from 1420H-1424 H (1999-2003) constituting 76% of its approved trade financing operations totaling an amount of US \$6.57 billion.

32. **Expresses** its appreciation for the parallel efforts of IDB to increase intra-OIC trade through financing trade-related projects and technical assistance; and further **urges** Member States to subscribe to the EFS and to accede to the programs of ICIEC and to other schemes designed to boost intra-OIC trade.

33. **Welcomes** the efforts of IDB to mobilize a total amount of US\$1.58 billion through Two Step Murabaha (2SMF) and syndication mechanisms since 1420 H (1999) with about US\$427 million having been mobilized in 1424H (2003) alone under the two mechanisms, of which US\$200 million was raised from other Islamic banks and financial institutions for the purpose of financing intra trade among OIC/IDB Member States.

34. **Appreciates** the approvals aggregating US\$2.03 billion by IDB in 1424H (2002-2003) under its four trade financing schemes and about US\$18.04 billion or 87% of the total amount of US\$20.74 billion approved by IDB under ITFO and EFS since their inception.

35. **Takes note with appreciation** of the ICDT's 2004 Annual Report on "Trade Between the OIC Member States" and noted with satisfaction that the intra-OIC trade recorded positive results since the share of intra-OIC trade in total trade of the Member States increased from 10% in 2000 to 12.8% in 2002, and the value of this trade reached approximately US \$ 60 billion.

36. **Requests** Member States to provide on a regular basis ICDT with data relating to trade and investment statistics and regulations.

37. **Urges** the appointed focal points of trade to play a more active role in promoting the trade financing program of the IDB, and **requests** Member States, who have not yet done so, to expedite the nomination of focal points of trade.

38. **Requests** Member States to encourage the appointed National Agents for the Export Financing Scheme (EFS) to play a more active role in assisting IDB in promoting its trade financing facilities, in general, and the EFS, in particular.

39. **Urges** financial institutions, including insurance companies, in Member States to support IDB's efforts, among others, by according more favourable terms to transactions that promote direct trade among Member States.

40. **Thanks** Member States who have actively assisted in identifying viable trade operations for financing by the IDB, and **urges** other Member States, who have not done so, to actively support IDB in its efforts to increase intra OIC trade financing.

41. **Requests** IDB to continue provision of technical assistance for capacity building of the focal points in Member States.

42. **Entrusts** IDB and ICDT to follow up the expansion of intra-OIC trade and report to the COMCEC and to other OIC fora.

III. Proposal on Gold based Trade Payment Arrangements (GTPA) for the Promotion of Intra-OIC Trade (Agenda Item: 5)

43. **Takes note** of the Background Note by the OIC General Secretariat on GTPA.

44. **Considers** the merits of GTPA as complementary for existing schemes for trade payment as elaborated in the report of the EGM, which can be resorted to by the Member States on a voluntary basis.

45. **Notes** that, as a follow-up to the decision reached at the Experts Group Meeting organized by IDB and held in Jeddah in September 2003, Malaysia had initiated bilateral negotiations with interested OIC countries on the technical details of the GTPA, which are on-going and that Malaysia would like to conduct such bilateral negotiations with the other interested OIC countries.

IV. Report of the Trade Negotiating Committee for Establishing Trade Preferential System among the OIC Member States (Agenda Item: 6)

46. **Expresses its thanks and appreciation** to the Republic of Turkey for hosting successfully and conducting efficiently the first and the second meetings of the Trade Negotiation Committee (TNC) held in Antalya on 6- 9 April and from 7 to 10 September 2004.

47. **Expresses its thanks and appreciation** to the COMCEC Coordination Office and the ICDT for fulfilling, in an excellent manner, their task as the Secretariat of the Trade Negotiating Committee on the Framework Agreement on the Trade Preferential System among Islamic Countries.

48. **Expresses its thanks** to the IDB for providing financial support for the First Round of the Trade Negotiating Committee.

49. **Takes note of the** results of the first and the second meetings of the Trade Negotiating Committee (TNC) and invites participating States to communicate their final views on the Negotiation Strategy for TPS-OIC and "the Revised Proposed Tariff Reduction Modality under TPS-OIC" before the third meeting of the TNC to be held in January 2005.

50. **Calls upon** the participating states to actively take part in remaining meetings of the first round of trade negotiation; to empower their representatives in the TNC meetings with full powers so as to enable them to take the necessary decisions in the TNC meetings with a view to substantially increasing trade and investment, and to redouble their efforts in the negotiation process so that it could be concluded within a specific time frame.

V. Matters Relating to WTO Activities (Agenda Item: 7)

51. **Expresses** thanks and appreciation to IDB and ICDT for preparing, in accordance with the decision of the 14¹ Session of the COMCEC, monitoring reports on the World Trade Organization (WTO) matters (OIC/COMCEC/20-04/D(15) and (OIC/COMCEC/20-04/D(16).

52. **Takes note with appreciation** of the Report submitted by the ICDT on the recent developments of trade negotiations within the framework of the Doha Development Agenda (especially, the July Package) and urges the OIC Member States to participate actively in these negotiations by preparing a positive agenda for the issues of high interest for their economies.

53. **Welcomes** the progress made in the efforts aiming at phasing out agricultural subsidies which has negative impact on the producers of developing countries; and **calls on** the international community to implement it expeditiously.

54. **Welcomes** the progress and efforts exerted to gradually eliminate agricultural subsidies that have a negative impact on the producers of the African Least Developing Countries (LDCS), members of the OIC, and calls upon the international community to put it into effect as soon as possible.

55. **Notes with satisfaction** that the Government of Burkina Faso is organizing "a meeting on the transformation of cotton of African countries" in OUAGADOUGOU on 4-5 April 2005, in close cooperation with IDB, ICDT and ICCI (in accordance with the resolution of the 31st ICFM) and **appeals** to the Member States transformers of cotton, to the private sector and to financial institutions to actively participate in this meeting on cotton in OUAGADOUGOU.

56. **Commends** IDB on its report on the activities of the WTO-related technical assistance programme extended to the OIC Member States.

57. **Emphasizes** that, in order to uphold the universality of WTO encompassing participation of all countries, there is a need to ensure that politically motivated considerations and non-trade issues should not be an impediment to the accession of any country to the organization, and urges the Member States that are members of

WTO to address the issue, where deemed appropriate, facilitating accession of all Member States of OIC, particularly those that have already applied for membership of the WTO.

58. **Calls on** the General Council of WTO to find a comprehensive solution to all outstanding requests by the inter-governmental organizations for observer status in the WTO bodies in the light of the letter addressed by the Chairman of the OIC to the Chairman of the General Council in 1999.

59. **Expresses** its appreciation to the IDB on its efforts to organize consultative meetings in order to enable Member States to exchange its views and coordinate its stands whenever feasible on all issues of common interest with the aim to prepare for the WTO ministerial meetings and evaluate the results of these meetings; and **appreciates** IDB's efforts for providing technical assistance to enhance the capacity-building of OIC Member States in human resources development and institutional sectors such as organizing trade policy courses, seminars, workshops on the main topics and providing specific direct technical assistance to the OIC Member States.

60. **Calls on** IDB, ICDT and other related institutions to keep on extending their assistance to the Member States in the context of the multilateral trade negotiations.

61. **Commends** the IDB for organizing a Workshop on 10-11 May 2004 on the impact of the termination of the WTO Agreement on Textile and Clothing among the Member States and on the challenges that will confront these States at the beginning of the year 2005 as a result of the annulment of the quota system. The Committee also **lauds** IDB's initiative for convening a consultative meeting for the permanent missions of Geneva based Member States (13 October 2004-Geneva) for brainstorming and exchange of views on the framework agreement reached by the WTO (July 2004 package) and how to prepare for the forthcoming stage in the Doha negotiations, particularly in the field of agriculture and Non Agriculture Market Access.

62. **Calls on** IDB and ICDT to pool and coordinate their efforts to reinforce the human and institutional capacities of OIC Member States, so as to facilitate their full integration into the multilateral trading system on equitable and fair basis.

63. **Takes note** of the OIC caucus in the WTO remaining as forum for discussion and, wherever possible, having common positions on issues affecting all OIC Member

States. In cases where such common positions are not feasible, like minded Member States should render support to each other.

64. **Entrusts** IDB and ICDT to monitor matters relating to WTO activities and report thereon to the annual sessions of the COMCEC and other concerned fora.

VI. Report by ICCI on the Eleventh Private Sector Meeting among the OIC Member States (Agenda Item: 8)

65. **Appreciates** the efforts made by ICCI to organize annual Private Sector Meetings, prior to the annual COMCEC sessions and calls for their continuation.

66. **Notes** that, as per the mandate given to the ICCI by the COMCEC to hold the Private Sector Meeting (PSM) annually, the 11th Private Sector Meeting, which was to be held in 2004, will now be held on 5-7 February 2005 with the theme of "Role of Private Sector in the Economic Integration Among the Islamic Countries" in accordance with the request of the Bahrain Chamber of Commerce and Industry and the Islamic Centre for Development of Trade to host the 11th Private Sector Meeting concurrently with the Islamic Trade Fair.

67. **Expresses thanks and appreciation** to the Kingdom of Bahrain and the Bahrain Chamber of Commerce and Industry for hosting, as well as the ICCI for organizing the 11th Private Sector Meeting to be held on 5-7 February 2005 in Manama under the patronage of His Highness Shaikh Khalifa Bin Salman Al- KHALIFA, Prime Minister of the Kingdom of Bahrain and **calls on** Member States to encourage their private sectors to actively participate in the Meeting.

68. **Thanks** the Kingdom of Saudi Arabia and the ICCI for having proposed to organize the first Private Sector Forum on Tourism in Riyadh in April 2005, in collaboration with the Supreme Commission on Tourism of Saudi Arabia and the Council of Saudi Chambers.

69. **Welcomes** the holding of the First Business Women Forum of OIC Countries by the ICCI in Sharjah from 15-17 January 2005, in collaboration with the Federation of UAE Chambers and the Business Women Association of UAE. Also **welcomes** the offer by the State of Qatar to host the Second Business Women Forum of OIC Countries in Qatar in 2006.

70. **Notes with appreciation** that, in accordance with the Memorandum of Understanding (MOU) between the ICCI and the Union of Turkish Chambers, the ICCI regional office in Istanbul for Central Asian Republics and Europe has been officially opened on 24 November 2004 at the time of the 20th Session of the COMCEC and thanks the Government of the Republic of Turkey and the Union of Turkish Chambers of Commerce for their efforts.

71. **Appreciates** the efforts made by ICCI in organizing events such as the 4th OIC Task Force Meeting for SMEs from 24-27 January 2005 in Thailand and the OIC-China Forum in Beijing-China on 20-22 April 2005 for the development of the private sector.

VII. Report of the ICDT on Islamic Trade Fairs (Agenda Item: 9)

72. **Welcomes** the agreement between the Republic of Guinea and the Kingdom of Bahrain, under which the Kingdom of Bahrain is to host the 10th Islamic Trade Fair on 5-9 February, 2005 in place of the Republic of Guinea, which earlier offered to host it and calls upon the Member States to actively participate in the event.

73. **Notes with appreciation** the Progress Report submitted by ICDT on the organization of the 10th Trade Fair of Islamic Countries to be held in MANAMA, Kingdom of Bahrain from 5th to 9th February 2005, under the patronage of His Highness Sheikh Khalifa Bin Salman Al Khalifa, Prime Minister of the Kingdom of Bahrain under the theme of "The Role of Private Sector in the Economic Integration of the Islamic Countries", **urges** the OIC Member States to actively participate in this fair, and **welcomes** initiatives of Member States to hold these fair, to the extent possible, concurrently with some high level meetings in the future.

74. **Further welcomes** the offers of the Republic of Senegal, the Republic of Iraq and the Republic of Guinea to host the 11th, 12th and 13th of Trade Fairs of Islamic Countries in 2006, 2008 and 2010 respectively.

75. **Notes with appreciation** the Progress Report submitted by ICDT on the organization of the first Tourism Fair of Islamic Countries to be held in Istanbul, Republic of Turkey from 22 to 25 September 2005, and **urges** the OIC Member States to actively participate in this fair.

76. **Takes note** of the preparations of ICDT for the organisation of the First Agri-food Industries Exhibition of the OIC Countries (AGRO-EXPO-OIC) to be held in Algiers on 14-17 April 2005 and **invites** Member States to participate actively in this event.

77. **Requests** ICDT to prepare regularly a progress report on the Trade Fairs of Islamic Countries as well as the Tourism Fairs and submit them under a separate agenda item to the COMCEC Sessions.

VIII. Exchange of Views on "Trade and Transport Facilitation among the OIC Member States " (Agenda Item: 10)

78. **Expresses** its thanks and appreciation to the Islamic Republic of Pakistan for hosting the Workshop on the Trade and Transport Facilitation among the OIC Member States in Islamabad from 14-16 September, 2004.

79. **Expresses its appreciation** to ICDT for the preparation and submission of the report and recommendations of the aforesaid Workshop organised by the Government of the Islamic Republic of Pakistan and the ICDT in collaboration with IDB, SESRTCIC and ICO, and **expresses** appreciation to IDB for its financial support as well as for the papers submitted by some OIC countries and OIC institutions such as ICDT, SESRTCIC, ICCI, IDB on various aspects of the subject.

80. **Takes note with appreciation** of the recommendations contained in the Report of the Workshop as annexed herewith.

81. **Indicates** the importance of modern information and telecommunications technologies in strengthening the climate of trade and investment and facilitating commerce and transport procedures between OIC Member States.

82. **Affirms** the importance of intensifying and coordinating the efforts of the Organization's countries in order to benefit from various international and regional mechanisms and conferences in this field and hence, emphasizes the significance of the forthcoming second session of the World Summit on the Information Society which Tunisia will host during the period of 16-18 November 2005. It will also enable the establishment of an international partnership in this field based on a common concept of solidarity and development that will succeed in bridging the digital gap and **urges** OIC Member States to participate actively and effectively in this endeavour.

83. **Entrusts** ICDT to monitor matters relating trade and transport facilitation among the OIC Member States and report them to the annual sessions of the COMCEC and other concerned fora.

IX. Report of the Sessional Committee (Agenda Item: 12)

84. **Takes note** of the Report of the Sessional Committee (OIC/COMCEC/SC-04/REP), which was held during the Twentieth Session of the COMCEC, and the recommendations thereon.

85. **Notes** that the OIC institutions engaged in activities under the purview of the COMCEC have taken tangible steps towards increased cooperation and coordination among themselves and with Member States in order to avoid any possible duplication of work.

86. **Renews its appeal** to Member States to take the measures needed for a greater involvement in the activities of the OIC subsidiary organs and affiliated and specialized institutions.

X. Organizational Matters

87. **Elects** Qatar, Indonesia and Sierra Leone as Vice-Chairman of the Bureau of the COMCEC to represent the Arab, Asian and African Regions, respectively, and the Islamic Republic of Pakistan as Rapporteur, to assume their posts as of the 21st Meeting of the Follow-up Committee of the COMCEC; as a result of the election, the composition of the Follow-up Committee is as follows:

Republic of Turkey	Chairman (Permanent)
Kingdom of Saudi Arabia	Vice Chairman (Permanent)
State of Palestine	Vice Chairman (Permanent)
Malaysia	Vice Chairman (Current Chairman of the Summit)
Qatar	: Vice Chairman (Representing the Arab Region)
Indonesia	: Vice Chairman (Representing the Asian Region)

Sierra Leone : Vice Chairman
(Representing the African Region)
Pakistan : Rapporteur
State of Kuwait : Member of the Previous Bureau
Islamic Republic of Iran : Member of the Previous Bureau
Federal Republic of Nigeria Member of the Previous Bureau

88. **Decides** that the Twenty First Meeting of the Follow-up Committee be convened from 10 to 12 May 2005 and the Twenty First Session of the COMCEC be held from 22 to 25 September 2005, respectively in Istanbul.

89. **Decides** that "Role of Tourism in the Promotion of Economic Cooperation Among the OIC Countries" be the theme for the exchange of Views at the Twenty First Session of the COMCEC, and **requests** ICDT, SESRTCIC and ICCI to organize a workshop on this topic in collaboration with IDB and any other international organization, prior to the Twenty First Session of the COMCEC and submit its report to the Session.

90. **Welcomes** the offer made by the Government of the Kingdom of Morocco to host the workshop on the "Role of Tourism in the Promotion of Economic Cooperation Among the OIC Countries" in 2005 in coordination with the ICDT, SESRTCIC and ICCI in collaboration with **IDB**.

91. **Invites** Member States to send to the OIC General Secretariat, sufficiently in advance of the Twenty First Session of the COMCEC, country reports reflecting their experiences on the subject matter for the exchange of views.

92. **Requests** the Follow-up Committee, at its Twenty First Meeting, to draw up the draft agenda of the Twenty First Session of the COMCEC and recommend alternative themes on which exchange of views would take place during the subsequent COMCEC sessions.

93. **Requests** the OIC General Secretariat to communicate to Member States the dates of the Twenty First Session of the COMCEC and the Twenty First Meeting of the Follow-up Committee.

- 12 -

RESOLUTION (2)
ON MATTERS RELATED TO ECONOMIC ASSISTANCE
TO SOME COUNTRIES

(Istanbul, 23-27 November 2004)

Original: English

RESOLUTION (2)
ON MATTERS RELATED TO ECONOMIC ASSISTANCE
TO SOME COUNTRIES

(Istanbul, 23-27 November 2004)

The Twentieth Session of the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Conference (COMCEC) held in Istanbul, 23-27 November 2004;

A. Economic Measures in Support of Palestine

Recalling the resolutions adopted by OIC Summits in support of the Palestinian people;

Recalling also the previous resolutions adopted by the Standing Committee at Ministerial Meetings and at meetings of other committees;

Recalling further the resolutions adopted by the 31st Islamic Conference of Foreign Ministers in support of the State of Palestine;

Condemning the repeated Israeli aggression against the Palestinian people and occupation of Palestinian territories in violation of the resolutions of international legitimacy and agreements signed and recognized internationally and demanding the cessation of all forms of aggression and the violation of the Muslim and Christian holy places and also demanding the immediate withdrawal of the Israeli occupying forces from all the Palestinian territories as well as the cessation of aggressions against the Palestinian people, and the insistence on imposing the separation-wall on the Palestine territories, in spite of overwhelming international opposition;

Noting the role played by the Palestine National Authority in all its cities, hamlets and camps, including East Jerusalem in order to improve the living conditions of the Palestinian people and build up national economy;

1. **Appeals** to the Quartet to send a peace-keeping force to secure the implementation of the Road-Map scheme.
2. **Notes** with deep appreciation the assistance provided by some Member States and the OIC relevant institutions.
3. **Commends** the efforts made by the Palestine National Authority in the Palestinian Self-Rule regions and its camps in order to reconstruct what was destroyed by Israeli occupation as well as the Palestinian steadfastness in the face of Israeli aggression and **urges** Member States and other relevant parties to exert further efforts and provide greater assistance to build up a national economy, develop and consolidate it.
4. **Expresses** deep appreciation for the assistance provided by some Member States to the Palestinian people to build up their national economy and **urges** Member States and relevant OIC bodies to provide, as early as possible, the required and approved assistance to enable the Palestine National Authority and the Palestinian people to build up a national economy and consolidate their national institutions as the infrastructure of these institutions was totally destroyed by the Israeli occupying forces.
5. **Reaffirms** the previous resolutions on providing all forms of support and assistance: economic, technical, material and moral to the Palestinian people and the Palestinian National Authority, recommending preference in import to Palestinian products, exempting them from taxes and customs duties.
6. **Urges** businessmen and investors of Member States to contribute to the implementation of economic, industrial, agricultural and housing projects in the Palestinian Self-Rule regions, with a view to building up the national economy and enabling the Palestine National Authority and its national institutions to implement their development programmes, during the coming period, in the various economic, social and health fields.
7. **Appeals** to Member States, to provide employment opportunities to the Palestinian labour force, given the harsh condition imposed by the Israeli occupation forces, with a view to enhancing the socio-economic condition of the Palestinian people and putting an end to unemployment.

8. **Urges** Member States to conclude bilateral agreements with the Palestine Liberation Organization and its National Authority in the economic, commercial and social fields, with a view to enhancing the socio-economic condition of the Palestinian people.
9. **Urges** all OIC Member States and affiliated institutions to provide urgent assistance to build up a strong and independent Palestinian national economy.
10. **Requests** the OIC Secretary General to pursue his efforts aimed at implementing the previous resolutions adopted in support of the State of Palestine and submit a progress report thereon to the next COMCEC Session.

B. Assistance to Lebanon

The Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Conference (COMCEC),

Recalling resolution 10/13-EC(IS) adopted by the 10th Session of the OIC Summit;

Recalling resolution 31/13-EC adopted by the 31st session of the OIC Ministers of Foreign Affairs;

Also **recalling** the Israeli aggressions against Lebanon and ensuing damages and loss of lives as well as properties and their repercussions on political and economic conditions in Lebanon;

Lauding the efforts exerted by the Lebanese Government to ensure security and stability, exercise its authority, reconstruct and provide the needs of Lebanese citizens living in areas under the yoke of Israeli occupation;

Bearing in mind the difficulties confronted by Lebanese citizens living in the region under Israeli occupation and neighbouring areas;

Having reviewed the report of the Secretary General in this regard:

1. **Expresses** its appreciation to the Islamic and Arab countries for the assistance extended within the framework of the Donors' Conference (Paris 2), in particular the Kingdom of Saudi Arabia that pledged a tangible contribution in the said Conference.
2. **Expresses** its appreciation for the assistance granted by OIC relevant bodies.
3. **Condemns** the aggressions perpetrated by Israel against public facilities and infrastructure in Lebanon in a bid to obstruct the construction efforts undertaken by the Lebanese Government. Moreover, it **denounces** Israel's abstention to withdraw from parts of the Lebanese territory, including Shaba'a farms, and beyond internationally recognized Lebanese borders.
4. **Condemns** Israel for refusing to give detailed maps of areas where landmines were planted by it in the South and West of the Bekaa valley, a matter that exposes civilian life to extreme danger. Also **condemns** Israel for detaining Lebanese citizens in its prisons.
5. **Emphasizes** its support to Lebanon in its sovereign right to exercise its political options within its constitutional procedures and institutions bearing in mind historical and special relations between Syria and Lebanon.
6. **Reaffirms** its previous recommendations related to the necessity to extend urgent assistance, financial, humanitarian and in kind to Lebanon in light of its requirements in the economic, technical and training fields. Reiterates its **request** to OIC Member States and other international and regional organizations to take urgent and active measures to contribute to the reconstruction of what was destroyed by the Israeli occupation and respond to the proposal of holding a Conference of donor countries for this purpose.
7. **Calls upon** Member States to extend exceptional facilities to allow the entrance of Lebanese products to their markets without any obstacles in order to consolidate its economy which is the fundamental pillar for Lebanese resistance and steadfastness against Israeli aggression.
8. **Requests** the Secretary General to follow up this matter and report to the next COMCEC session.

C. Economic Assistance to the Republic of Albania

Recalling relevant resolutions of the 10th Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th Session of the COMCEC;

1. **Expresses deep appreciation** for the assistance extended by some Member States and OIC relevant bodies.
2. **Expresses** its strong support to the people of Albania beset by major economic difficulties at the present phase of their transition towards a market economy.
3. **Urges** OIC Member States, Islamic institutions and international organizations to grant generous economic assistance to Albania so that the Government of Albania may successfully implement its development programme.
4. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

D. Economic Measures in Support of Uganda

Recalling relevant resolutions of the 10th Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th session of the COMCEC;

1. **Invites** Member States, Islamic institutions and international organizations to grant urgent financial and economic assistance to Uganda so that it may cope with the refugee problems and other related **consequences** as well as implement its economic, social and cultural programmes.
2. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

E. Economic Measures in Support of The Islamic State of Afghanistan

Recalling earlier resolutions of the 10th Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th session of the COMCEC;

Recalling further the final communique of the 9th Extraordinary Session of the Islamic Conference of Foreign Ministers held in Doha on 10¹ October 2001;

Noting the extraordinarily grave situation prevailing in the Islamic State of Afghanistan;

1. **Recognizes** that the Islamic State of Afghanistan was on the verge of a great human tragedy and the impending humanitarian catastrophe calls for immediate emergency relief measures.
2. **Urges** the Member States and Islamic institutions to extend urgent and substantial assistance to the people of the Islamic State of Afghanistan.
3. **Commends** those Member States that have already provided assistance to the people of the Islamic State of Afghanistan.
4. **Expresses its deep appreciation** for the creation of a fund for the Afghan people by the 9th Extraordinary Session of the Islamic Conference of Foreign Ministers. This fund should be established as soon as possible.
5. **Expresses its gratitude and appreciation** to the OIC Member States for their generous contribution to the newly formed OIC Fund for the welfare of Afghan refugees to return from neighbouring and other countries to their own country.
6. **Requests** the Secretary General to follow up this matter and report to the next COMCEC session.

F. Economic Measures in Support of the Republic of Somalia

Recalling resolutions of the 10th Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th session of the COMCEC;

1. **Expresses appreciation** for the assistance extended by some Member States and OIC relevant bodies.
2. **Urges** OIC Member States, to provide material and other assistance on an emergency basis to Somalia.
3. **Commends** those Member States that have already provided aid and assistance to the people of Somalia.
4. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

G. Economic Assistance to the Kyrgyz Republic

Recalling relevant Resolution of the 10th Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th Session of the COMCEC;

Expressing its understanding of the situation which has arisen in the Kyrgyz Republic after attainment of independence and sovereignty;

Taking into consideration the economic difficulties of the transitional period to the free market economy;

1. **Expresses deep appreciation** for the assistance extended by some Member States and OIC relevant bodies.
2. **Appeals** to all Member States and Islamic financial institutions to contribute generously to the process of overcoming the economic difficulties experienced by the Kyrgyz Republic, either on a bilateral basis or through multilateral and regional organizations, in order to enable the Kyrgyz Republic to fulfil its economic programme.

3. **Appeals also** to the Islamic Development Bank to increase its financial and technical assistance to the Kyrgyz Republic.
4. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

H. Economic Measures in Support of the Republic of Azerbaijan

Recalling the resolutions adopted by the Islamic Summit Conference and the Islamic Conference of Foreign Ministers expressing support and assistance to the Republic of Azerbaijan;

Referring to the relevant UN Security Council Resolutions;

1. **Strongly condemns** continuous aggression by the Republic of Armenia against the Republic of Azerbaijan resulting in the occupation of one fifth of its territory and in one million of refugees and displaced Azeri people.
2. **Reaffirms** its support of the sovereignty and territorial integrity of the Republic of Azerbaijan and the full solidarity of OIC Member States with the government and people of Azerbaijan in this grave and very critical time of the country's history.
3. **Recognizes** the need to reinforce the concrete solidarity of OIC Member States with the government and people of Azerbaijan.
4. **Welcomes and appreciates** the assistance extended by OIC Member States and relevant bodies, the United Nations institutions and international organizations.
5. **Appeals** to Member States and Islamic institutions to make available to the Government of Azerbaijan the much needed economic and humanitarian assistance with a view to alleviating the sufferings of the Azeri people.
6. **Calls upon** the international organizations to continue to grant humanitarian and economic assistance to the Republic of Azerbaijan.

7. **Requests** the Secretary General to follow up the matter and submit a report thereon to the next COMCEC Session.

I. Economic Measures in Support of Bosnia-Herzegovina

Guided by the principles and objectives of the Charter of the Organization of the Islamic Conference emphasizing the common goals and destiny of the peoples of the Islamic Ummah and their commitment to the consolidation of international peace and security;

Recalling the previous resolutions adopted by the OIC expressing its Members' full solidarity with the Government and people of Bosnia-Herzegovina;

Taking also into account the resolutions adopted by the Extraordinary Sessions of the Islamic Conference of Foreign Ministers on the situation in Bosnia-Herzegovina, held in Istanbul and Jeddah and followed by the special Ministerial Meeting held in Islamabad as well as the 21st through 31st Islamic Conferences of Foreign Ministers, 10th Islamic Summit Conference and 19th session of the COMCEC;

Expressing its appreciation for the work of the Assistance Mobilization Group for Bosnia-Herzegovina, formed in 1995 during the Kuala Lumpur meeting of the OIC Contact Group Ministers of Foreign Affairs and Defense towards providing humanitarian and economic assistance for concrete rehabilitation and reconstruction projects in Bosnia-Herzegovina;

1. **Expresses deep appreciation** for the assistance extended by Member States and OIC relevant bodies. It also stresses the importance of the continuation of the activities undertaken by the OIC Assistance Mobilization Group and noted with appreciation the Islamic Chamber of Commerce and Industry's special programme to assist the private sector of Bosnia-Herzegovina.

2. **Welcomes** the contributions of OIC Member States at the Donor Conference for the reconstruction of Bosnia-Herzegovina, held in Brussels in April 1996 which encourages OIC Member States to pursue their efforts as

regards financial contributions for the final return of refugees adopted at the OIC Conference held in Doha in May 2001 and expresses its satisfaction for the efforts exerted by the OIC Committee for the Reconstruction of Bosnia-Herzegovina.

3. **Appeals** to Member States, Islamic institutions and other donors to make generous donations as well as provide financial aid to enable the early implementation of the IDB programme aimed at providing humanitarian assistance to the Government and people of Bosnia-Herzegovina for the reconstruction of the country.

4. **Expresses its appreciation** for the assistance provided by the OIC Member States and for the commendable efforts of those Islamic and other international humanitarian bodies in providing relief and assistance to the victims of the aggression in Bosnia-Herzegovina.

5. **Urges** the International Community to take efficient measures to ensure the rehabilitation and reconstruction of Bosnia-Herzegovina.

6. **Categorically demands** that the sovereignty, territorial integrity and political independence of Bosnia-Herzegovina be safeguarded and protected within its internationally recognized frontiers and supports the Government of Bosnia-Herzegovina in its intent to proceed on this sound basis for a just and lasting solution to restore the confidence of its people so that they may continue to live as a multi-ethnic, multi-cultural and multi-religious society.

7. **Requests** the OIC Member States, at the same time members of the Peace Implementation Council in Bosnia-Herzegovina and its Coordination Committee, to seek directing the biggest part of international assistance for the reconstruction of Bosnia-Herzegovina and, in particular, the areas inhabited by Muslim Bosnians.

8. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

J. Assistance to the Republic of Guinea

Recalling earlier resolutions of the 10th Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th Session of the COMCEC;

Considering the role played by the Republic of Guinea, within the framework of the Organization of the Islamic Conference to establish peace and to ensure stability in some Member States;

Considering the presence of a huge number of refugees from Liberia and Sierra Leone which constitutes an unbearable burden for the economy of the Republic of Guinea;

Being gravely concerned by the repeated aggressions against the Republic of Guinea on its borders with Liberia and Sierra Leone, resulting in loss of human lives, serious material damage and extensive displacement of the population within Guinea;

Considering the Declaration issued on 13 September 2000 by the UN Security Council, condemning these aggressions;

Considering the Final Communique of 13 September 2000 of the Coordination Meeting of Foreign Ministers of Member States of the Organization of the Islamic Conference condemning these aggressions and expressing its solidarity with the Republic of Guinea;

Considering the need for the Republic of Guinea to reconstruct its country, ensure the survival of the displaced population and the return of the refugees to their respective countries;

Noting with satisfaction that a joint mission OIC/IDB visited the zones affected by rebel attacks with a view to assessing the damage and destruction resulting from the attacks and prepare a reconstruction program;

1. Expresses its support to and solidarity with the people and the Government of Guinea.

2. **Invites** the international community and the OIC Member States to provide the Republic of Guinea with substantial financial and material assistance, so that it may cope with the difficulties caused by the aggressions waged against the Republic of Guinea and the presence of hundreds of thousands of refugees, who are Muslims in majority, on its territories.
3. **Appeals** to the Islamic Development Bank to increase its assistance, either as subventions or loans at favourable conditions, to the Republic of Guinea, so that it may create the social infrastructures needed for the displaced population and refugees, and overcome the deterioration of the environment brought about by this massive human presence.
4. **Requests** the Secretary General to follow up the matter and report thereon to the following COMCEC Session.

K. Assistance to the Republic of Sierra Leone

Recalling the pertinent Resolutions adopted by the 10th Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th Session of the COMCEC;

1. **Appeals** to Member States and Islamic institutions of the Organization of Islamic Conference of which Sierra Leone has always been an active member, whose people have experienced the most brutal acts of violence, to urgently extend substantial financial and material assistance to the war ravaged country to enable its people to rebuild the infrastructure and to undertake the much needed rehabilitation, reconstruction and resettlement of returnees and displaced inhabitants of about 1,5 million.
2. **Requests** the Secretary General to use his good offices to accelerate the approval process of projects already identified for Sierra Leone.
3. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

L. Assistance to the Kashmiri People

Noting that the people of Jammu and Kashmir in the Indian occupied Kashmir have continued to suffer from grave atrocities and serious repression which have continued against them with increased intensity resulting in greater economic hardship for the people;

1. **Recognizes** the need for immediate economic assistance to alleviate the suffering of the innocent and displaced Kashmiris.
2. **Appeals** to all Member States and Islamic institutions, particularly the Islamic Solidarity Fund and the Islamic Development Bank to grant immediate assistance to suffering Kashmiri people.
3. **Also appeals** to all OIC Member States and Islamic institutions to grant scholarships to Kashmiri students in different universities and educational institutions in the OIC countries.
4. **Requests** the Secretary General to follow up the matter and report to the next COMCEC session.

M. Economic Assistance to the Republic of Yemen

Recalling the relevant resolutions of the 10th Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th Session of the COMCEC;

Taking into consideration the economic difficulties faced by the Republic of Yemen, which arose from the burden of reunification and the big losses caused by the aborted secession attempt in June 1994 as well as the devastating flood which swept the Republic of Yemen in 1996;

Appreciating the efforts made and the success achieved by the Government of Yemen in implementing the Comprehensive Programme of Administrative and Financial Reform;

Taking into consideration the heavy burden borne by the Yemeni Government to provide shelter for groups of refugees from neighbouring African countries;

Recalling that Yemen is one of the least developed countries:

1. **Expresses** its appreciation for the efforts of the Yemeni Government to overcome its economic difficulties and to implement the Comprehensive Programme of Administrative and Financial Reform and the success achieved in that regard.
2. **Also expresses** its appreciation for the assistance extended by some of the Member States and by the relevant organs of the Organization of the Islamic Conference.
3. **Renews its call** to Member States and all regional and international organizations to extend all kinds of economic assistance to the Yemeni Government to support its efforts aimed at implementing the Comprehensive Programme of Administrative and Financial Reform and at alleviating the ravages suffered by Yemen as a result of the floods as well as the heavy burden of sheltering large number of refugees from neighbouring African countries.
4. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

N. Economic Assistance to Tajikistan

Recalling relevant resolutions of the 10th Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th Session of the COMCEC;

Taking into account the objectives and principles of the OIC Charter as well as members' commitment to consolidate international peace and security;

Deeply concerned with the critical situation which Tajikistan has faced after six years of bloody civil war, which resulted in death, injury and

displacement of thousands of people as well as destruction of its economic and social infrastructures;

Noting the return of about 200,000 Tajik refugees to their homeland which necessitates a great financial and technical support;

Recalling the report of the World Food Programme which estimates that 25 per cent of Tajikistan's population is in dire need of food aid;

Noting with concern the marked spread of infectious diseases such as tuberculosis and diarrhea, victims of which are especially infants, children and women;

1. **Expresses deep appreciation** to the assistance extended by some Member States.
2. **Appeals** to all members and Islamic financial institutions to make their generous contributions to the process of overcoming the economic difficulties experienced by Tajikistan either on a bilateral basis or through multilateral and regional organizations to enable Tajikistan to fulfil its rehabilitation programmes.
3. **Urges** the Islamic Development Bank to increase its financial and technical assistance to Tajikistan.
4. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

O. Economic Assistance to Guinea Bissau

Recalling earlier resolutions of the 10th Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th Session of the COMCEC;

Noting the political and social disorders that have recently erupted in Guinea Bissau and their consequences on the economic activities of the country, namely the loss of the agricultural and export products marketing

campaign, the mass displacement of the population and the physical destruction of the basic socio-economic infrastructure, such as schools, dispensaries, hospitals, markets, residential areas, etc;

1. **Urges** Member States and the International Community to provide Guinea Bissau with urgent aid to facilitate the reinsertion of its peoples in active life.
2. **Appeals** to Member States and to OIC institutions to participate in the rehabilitation and economic revival programme of Guinea Bissau.
3. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

P. Economic Assistance to Countries Affected by Drought and Natural Disasters

Recalling earlier resolutions of the 10¹ Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th Session of the COMCEC;

Noting with concern the grave situation caused by drought and natural disasters, and their damaging effects on economic and social conditions specially in the agricultural, economic and social infrastructures, as well as public services and utilities;

Noting with satisfaction the efforts made by some Member States and the Islamic Development Bank which have extended and continue to extend technical and financial assistance as well as aid to Member States stricken by drought and natural disasters;

Fully aware that afflicted Member States, most of them belonging to the category of the Least Developed Countries, cannot by themselves, bear the growing burden of anti-drought and anti-desertification campaign and the implementation of major related projects;

1. **Expresses its gratitude** to Member States, which provided and are still providing assistance and food aid to the Member States affected by drought and natural disasters.
2. **Expresses also its gratitude** to IDB for its continuing assistance to Member States afflicted by drought and natural disasters and encourages the Bank to continue its assistance in this domain.
3. **Appeals** to the international community also to extend assistance to Member States struck by drought and natural disasters.
4. **Calls upon** the Member States and OIC Institutions to extend urgent assistance to OIC countries of Inter-governmental Authority for Development and the Campaign Against Drought (IGAAD) and Permanent Inter-State Committee for Drought Control in the Sahel (CILSS) to enable them to overcome the difficult situation which has been threatening them for a long time.
5. **Notes with appreciation** the meeting of donor countries and national and regional financial institutions convened by Kuwait at IDB Headquarters in June, 1998 to consider the appropriate mechanisms for financing the new programmes.
6. **Welcomes** the contribution of 30 million US\$ made by the State of Kuwait in the form of soft development loans as well as the 20 million US\$ contributed by the Islamic Development Bank for the new programme.
 1. **Also notes with appreciation** that the Kingdom of Saudi Arabia has embarked upon the implementation of its new programme for the control of drought and desertification in the Sahelian African States.
 2. **Also expresses** its appreciation to the Great Peoples Socialist Libyan Jamahiriyyah for the support and assistance it provides to the Islamic States to improve their infrastructure, alleviate the ills of extreme poverty, drought and natural disasters and ameliorate the health, social and cultural conditions through donations, soft loans and assistance in kind.

3. **Requests** the Secretary General to follow up this matter and report to the next COMCEC Session.

Q. Assistance to Sahelian African States Afflicted by Desertification, Drought and Locust Invasion

Having taken cognizance of resolution (27/7-IS) of the 7th Islamic Summit on Islamic Solidarity with the Peoples of the Sahel;

Taking into account the need for the urgent implementation of the OIC/CILSS/IDB Programme for the Sahel, which could be compromised if not implemented as soon as possible;

Recalling resolutions of the 10th Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th Session of the COMCEC;

1. **Expresses** deep appreciation for the assistance extended by some Member States and OIC relevant bodies.
2. **Appeals** to all Member States and Islamic institutions to extend urgently special assistance to enable Sahelian African States to cope with the lack of cereal crops and poor grazing land and a result of weak rain falls and locusts invasion.
3. **Expresses** its appreciation of the efforts made by the OIC General Secretariat, CILSS and the IDB in the elaboration and finalization of the OIC/CILSS/IDB Programme for the Sahel.
4. **Reaffirms** the necessity of giving priority to the rapid implementation of the Special OIC/CILSS/IDB Programme for the Sahel.
5. **Appeals** urgently to Member States to contribute generously and substantially to the funding of the OIC/CILSS/IDB Programme in favour of the Sahel populations to crystallize the OIC Member States solidarity with these populations, alleviate their sufferings and ensure sustained development for the Sahel region.

6. **Notes** with appreciation the meeting of donor countries and national and regional financial institutions convened by Kuwait in June 1998 to consider the appropriate mechanisms for financing the new programme.
7. **Welcomes** the 30 million US \$ contribution made by Kuwait in the form of soft development loans as well as the 20 million US \$ provided by the Islamic Development Bank for the new programme.
8. **Also notes** with appreciation the initiation by the Kingdom of Saudi Arabia of the third phase of its program in favour of the Sahelian African States to combat drought and desertification.
9. **Urges** Member States to announce their contributions to the new programme in favour of the Sahelian African States.
10. **Requests** the OIC General Secretariat to follow up this matter and report to the next COMCEC Session.

R. Economic Assistance to the Republic of Mozambique

Recalling earlier resolutions of the 10^h Islamic Summit Conference, the 31st Islamic Conference of Foreign Ministers and the 19th Session of the COMCEC;

1. **Expresses** deep appreciation for the assistance extended by OIC Member States to the victims of floods in Mozambique.
2. **Appeals** to the Islamic Development Bank, to all Islamic Institutions and the international community in general, to render their material and financial support in order to ensure the reconstruction of socio-economic infrastructures and rehabilitation of the affected people in Mozambique.
3. **Emphasizes** the need to promote and encourage the role of the private sector particularly within the context of development of Small and Medium Enterprises.
4. **Urges** the developed countries to write off the external debt of Mozambique in the light of its critical socio-economic situation.

5. **Urges** the international community to increase its assistance to Mine-clearance Programmes, taking into account the far reaching effects of the natural disasters.
6. **Urges** the international community to render assistance for setting up national, sub-regional, regional and international disaster prevention, preparedness and management mechanisms, including early warning systems.
7. **Commends** the efforts of the Southern African Development Community (SADC) countries to address the devastating effects of the floods, natural disasters and thanks the international community for the support, solidarity and humanitarian assistance rendered to Mozambique.
8. **Calls upon** all Member States to continue their support to the implementation of the programme of reconstruction of Mozambique.
9. **Requests** the Secretary General to follow-up the implementation of this resolution and submit a report thereon to the next COMCEC Session.

S. Economic Assistance to the Republic of Sudan

Recalling the previous resolutions of the Islamic Summit Conference, the Islamic Conference of Foreign Ministers and the Standing Committee at their previous sessions on assistance to Sudan,

1. **Expresses** deep concern over the sufferings of Sudan ensuing from the devastating war imposed upon it, as well as the influx of refugees resulting from the war, natural disasters, drought, desertification and floods.
2. **Commends** the positive developments resulting from the Sudanese peace negotiations in Kenya.
3. **Urges** the Islamic Development Bank, the relevant OIC institutions and Member States to provide urgent assistance to eliminate the effects of war on the social and economic infrastructure.

4. **Requests** the OIC Secretary General to follow-up this matter and submit a report thereon to the next Session of COMCEC.

T. Economic Measures in Support of the Republic of Iraq

Recalling the resolution of the Tenth Islamic Summit and that of the Islamic Conference of Foreign Ministers preceding it on support to the Iraqi people.

1. **Expresses** its conviction that the Iraqi people should enjoy the required standard of living and economic flexibility to enable them to overcome the consequences of war and economic embargo they underwent for reasons beyond their control.

2- **Appeals** to the OIC Member States to exert their utmost efforts to support and extend urgent assistance to Iraq and non-interference in its internal affairs so that it may effectively contribute to the security and stability of the region. This will promote the achievement of development in Iraq, resolve economic problems and structural distortions in the Iraqi economy.

3. **Highlights** the need and importance of enhanced security environment and measures because of terrorist activities for those civilian drivers and other personnel working for the reconstruction of Iraq as well as for the supply of humanitarian assistance to Iraqi people.

4. **Also urges** Member States to contribute, in the coming period, to the reconstruction of Iraq.

5. **Requests** the OIC Secretary General to follow up this matter and report thereon to the next COMCEC Session.

- 13 -

RECOMMENDATIONS OF THE WORKSHOP ON
TRADE AND TRANSPORT FACILITATION AMONG THE
OIC MEMBER COUNTRIES"

(Istanbul, 23-27 November 2004)

REPORT OF THE WORKSHOP ON

**"TRADE AND TRANSPORT FACILITATION AMONG
THE OIC MEMBER STATES"**

Islamabad, Islamic Republic of Pakistan,
14,15 and 16 September 2004

Further to the recommendation of the Standing Committee for Economic and Commercial Cooperation of the OIC (COMCEC), which has chosen "Trade and transport facilitation among the OIC Member States" as the theme of the exchange of views of the 20th session of the COMCEC and which requested the ICDT, the ICCI and the OISA to hold a workshop on this subject, in collaboration with the OIC concerned institutions, especially IDB and the SESRTCIC and other international organisations.

And upon the request of the Islamic Republic of PAKISTAN to host the workshop on "trade and transport facilitation among the OIC Member States" to be organised in collaboration with the ICDT, the ICCI and the OISA and the other OIC concerned institutions.

Following the coordination meeting of the OIC institutions held in October 2003, which entrusted ICDT to ensure coordination between the OIC institutions.

The Islamic Republic of Pakistan and the Islamic Centre for Development of Trade (ICDT) organised a workshop on "trade and transport facilitation among the OIC Member States" in Islamabad from 14th to 16th September 2004.

The main objectives of this workshop are as follow:

- to gather experts from Member States, the OIC institutions (COMCEC, OIC General Secretariat, SESRTCIC, IUT, ICDT, IDB, ICCI...) as well as from international and regional organisations (UNCTAD,WTO, ITC, World Bank, UN Regional Economic Commissions etc.) in order to assess the present situation of transport and trade facilitation in OIC Member States,
- to examine the ways and means likely to promote the best practices in this field with the view of boosting and facilitating intra-OIC trade,
- and making a set of concrete recommendations dedicated to help decision-makers in developing their national programmes for the development of facilitation of trade and transport.

This workshop was attended by:

S The representatives of the following Member States:

Peoples Republic of Bangladesh, Arab Republic of Egypt, Hashemite Kingdom of Jordan, Republic of Kazakhstan, Malaysia, Republic of Togo, Republic of Turkey, State of United Arab Emirates, Islamic Republic of Pakistan.

>**The following OIC Institutions:**

- The Islamic Centre for Development of Trade (ICDT);
- The Statistical, Economic, Social and Training Centre for Islamic Countries (SESRTCIC);
- The Islamic University of Technology (IUT);
- The Islamic Development Bank (IDB);
- The Islamic Chamber of Commerce and Industry (ICCI), and Organization of the Shipowners Association (OISA) was represented by ICCI.

- **The Representatives of International and Regional Organisations:**

- World Customs Organisation (WCO)
- United Nations Conference on Trade and Development (UNCTAD)

The list of participants may be seen at annex-I.

OPENING SESSION:

After the recitation of verses from the Holy Koran, the opening ceremony was chaired by **H.E. HÜMAYUN AKHTAR KHAN**, the Minister of Commerce of the Islamic Republic of Pakistan.

Speaking at inaugural session of this workshop, Mr. HÜMAYUN AKHTAR KHAN, said that the cross border trade was a cumbersome and complicated process as it involved a number of organizations and entities, each having its own set of formalities, which caused hurdles in the smooth flow of trade. The business community was faced with the challenge of not only the high tariff barriers but also the transportation costs, complicated documentation procedures, delays at the borders and the resultant loss in the competitiveness of their goods, he added.

The Commerce Minister quoting UNCTAD stated that the direct and indirect cost of the procedures relating to trade transaction was around 7 to 10 percent of the total value of the world trade. H.E. also underlined that the Inter-Islamic Trade remained below the existing potentialities, in view of the lack of appropriate telecommunications structure, high connection costs and the absence of legal and regulative framework, in addition to the lack of coordination of trade polices among OIC Member States.

Mr. Hümayun Akhtar Khan emphasized that the OIC Member States need to adopt an integrated approach for simplification of their custom procedures and modernization of related legislation. He further added that the use of latest information and communication technology by OIC Member Countries would boost trade among them.

He also suggested that the OIC trade facilitation efforts should not take place in isolation because it needed linkages with the rest of the world and with the efforts of the international organization in order to harmonize and simplify the procedure and the transportation system. He also added that the OIC should consider initiating

negotiation on an intra OIC Transit Trade Agreement that would facilitate trade among the Muslim Countries.

At the end of his speech, H.E. reiterated his thanks to the Director General of ICDT and IDB for the support extended to his Ministry in the organization of this event.

Taking the floor, M. **Houcine RAHMOUNI**, Deputy Director General of ICDT, in the name of the Secretary General of OIC and on behalf of Mr. Allal RACHDI, Director General of ICDT, welcomed the participants and expressed his thanks to HE HÜMAYUN AKHTAR KHAN, Minister of Commerce of the Islamic Republic of Pakistan for having kindly inaugurated the opening session of the workshop. He also extended his thanks to the other OIC institutions for having organized this workshop, which is invested with the prime importance of trade facilitation which is becoming increasingly important in all our countries and will contribute more towards the development of infrastructure for transport, support services, namely ICT for boosting inter-Islamic trade.

At the end of his speech, Mr. Houcine RAHMOUNI reiterated his thanks to the Government of the Islamic Republic of Pakistan and IDB for the support extended to the Ministry of Commerce of Pakistan in the organization of this event. He also conveyed his thanks to the experts who came from different OIC Member States and specialized institutions, while wishing them a pleasant stay and successful proceedings.

Following the Inaugural Session the ELECTION OF THE BUREAU was held as under:

Chairman - Islamic Republic of Pakistan
First Vice Chairman - Malaysia
Second Vice Chairman - Republic of TOGO
Rapporteur - Republic of Turkey

PROCEEDINGS OF THE WORKSHOP:

After the opening ceremony, participants tackled the different themes of this workshop, namely,

- > Trade and transport facilitation: Global issues ;
- > Trade and transport facilitation: specific issues ;
- > Trade and transport facilitation among the OIC Member States.

Several experts from Member States, regional and international institutions participated actively in this workshop and some of them presented papers on this field.

PAPERS PRESENTED BY EXPERTS:

M. Amadou Cire SALL, Expert Consultant from ICDT

Mr. SALL Cire, in his paper titled **Transport and Trade Facilitation among the OIC Member States**, gave a general introduction on trade facilitation. His paper tackled the following points:

- Transport services and freight cost in the OIC Member States
- Trade facilitation in the OIC Countries: realities and prospects
- Regional cooperation: experience in the field of transport and transit in the OIC Member States
- Transport and trade facilitation: what options for the OIC Member States?
- Recommendations

The paper covers different aspects related to facilitating trade and transport among Islamic Countries. The paper outlines all the instruments developed and used all around the world such as TIR, ASYCUDA.

Trade and transport facilitation is developed and solutions have been given in order to boost intra-OIC trade. There is a strong need of using ICT, simplifying administrative procedures and harmonizing custom procedures.

Mr. Ray Mac DONAGH, Deputy Director of Procedures, World Customs Organization - WCO:

Mr. RAY MC DONAGH, Deputy Director Procedures, gave an introduction to the work of the WCO. He emphasized the recent change in the environment in which customs operate in particular, trade liberalization, trade facilitation and security of the supply chain. The response of the WCO has included the development of a wide range of instruments and standards such as the revised Kyoto Convention, Time release Study, Integrated Supply Chain Management Guidelines, Customs Data Model, Unique Consignment Reference, etc.

The WCO has completed a re-evaluation of Capacity Building Requirements, devised a diagnosis framework to accurately identify in administrations needs and developed an Integrity Program.

Mr. Mac DONAGH referred to recent WCO publications including guidance on the establishment of a secure and efficient transit system. He concluded by looking forward to the role of customs in the early half of the new century. In this regard, he referred to the Integrated Supply Chains Management, integrated border management and the sharing of information, a paperless environment, trade facilitation and implementation of standards developed.

M. MAXENCE ORTHLIEB, UNCTAD presentation on "UNCTAD Trade Facilitation Strategy":

The representative of UNCTAD made a presentation on trade facilitation is approached by his organization. UNCTAD aims at providing developing countries with sustainable trade and transport facilitation capacity at national and regional levels. Due consideration is given not only to institutional, legal and operational reforms, and institution building with private and public trade and transport communities, but also to trade routes and transport corridors in regional networks and the linkages between national, regional and global operators.

The representative of UNCTAD briefly reported on the main Trade Facilitation activities carried out by his organization. They include: (1) Research and analysis (legal framework, guidelines, impact of security measures on developing countries' trade; (2) Exchange of experiences & Consensus building (Experts meetings and intergovernmental meetings); (3) Development of trade and transport-related information systems; (4) Technical assistance projects, in particular, the on-going integrated projects in Pakistan and Afghanistan, both funded by the World Bank and respectively assisting the Ministry of Commerce in Pakistan and the Minister of Finances (Afghanistan Customs Department) in Afghanistan. (3) Training & Knowledge dissemination (workshops; trade logistics events, recurrent training; and recurrent publications).

He mentioned some lessons learned for securing effective Trade Facilitation technical assistance (TFTA): (a) Integration & coordination of trade-related assistance (among donors as well as among implementing agencies); (b) Broadest possible commitment from Government institutions and only from the project counterpart Ministry; and (c) Collective and professional support from the Business community. He also stressed that creating institutional changes takes time and that the outcome of a technical assistance project cannot reasonably mature during the project life.

Regarding what could countries do towards trade facilitation, he referred to a couple of important tasks (establishment of a national Customs transit regime; and the proper consideration to trade and transport **services**, jointly to infrastructure); and stressed that countries should prepare for WTO negotiations "and beyond", taking advantage of committed technical assistance and support to capacity building. To conclude, he shared some ideas that could be formulated into recommendations and be endorsed by the workshop's participants.

Dr. ABU REZA from Islamic Development Bank presented a paper entitled TRADE AND TRANSPORT FACILITATION AMONG THE OIC MEMBER STATES:

The delegate from the Islamic Development Bank made a comprehensive presentation outlining the various steps the Bank had taken to introduce transport and trade facilitation measures to promote trade, especially intra-trade, among its 55 member countries. The IDB presentation was made in the background that of the cumulative gross approvals up to the year 1424H the Bank had made, which was almost \$ 39.00 billion, almost 37% was made for project financing and technical assistance and 61% for trade financing. Of the project financing made, 21% of the project financing was devoted for projects in the transport and communications sector. In view of this the Bank also recognized the importance of promoting measures for transport and trade facilitations in some of its member countries. To this end the Bank had appointed a Task Force which had recommended for introduction of Multimodal Transportation Operations in the ECO region comprising 10 OIC/IDB member countries.

The IDB delegate outlined the various features of the Multimodal Transportation Study which was presently carried out under the auspices of the ECO. Some good progress has been made and, in the interim, the Study also made a Trade Facilitation Study for the ECO countries. The Multimodal Study undergoing now will highlight the issues

relating to the ECO-wide commodity/trade flows movements, identify infrastructure and operations problems as well as non physical impediments, make proposals for investment, operational and institutional solutions and, importantly, the accession to the international transport conventions.

As part of the study, trade facilitation measures needed for the ECO countries have been recommended. The main recommendations relate to: tariff laws, adoption of customs codes, WTO customs valuation, certification standards, conformity and quality of goods indicating harmonization of standards, certification procedures etc., trade information, customs procedures, transit trade, setting up a bank, a reinsurance company, and a security/escort company, production of shipping and transport document package, international logistics security, adoption of trade and tariff policy, etc.

HE AQEEL A. JASEEM, SECRETARY GENERAL OF THE ISLAMIC CHAMBER OF COMMERCE AND INDUSTRY:

The ICCI in its paper titled **Private Sectors role in promotion of trade and transport among OIC Member Countries** called upon member states to under projects which would lead to the development of trade infrastructure such as highways, railway system and transport companies which could facilitate low range handling of cargo among member states at cheaper rates and in shorter time.

The paper covers different aspects related to economic integration of Islamic Countries with the perspective of Private Sector. From the paper it is concluded that all over the world, governments are now confining their roles and are giving the private sector the lead role mainly through privatization. The governments' role has emerged as a facilitator and regulator in services and other sectors.

The paper examined trade and transport facilitation, which is beneficial for the promotion of trade among the nations, i.e. the simplification, harmonization, automation and speeding up of the international flows of goods and trade information, has the potential of bolstering economic growth which have chain effects and will multiply the direct monetary gains several times, generate the majority of the gains from trade facilitation. To enhance income growth among OIC Countries, the best possible scenario could be to build infrastructure i.e. railway, communication.

ORGANIZATION OF ISLAMIC SHIPOWNERS ASSOCIATION:

The paper of the OISA was presented by ICCI, on their request, due to their inability to attend. The paper dealt with the formation of OISA and its various projects, namely the Islamic Protection and Indemnity Club, the Bakkah Shipping Company and the Cooperative Information System. The paper underlined the functions, aims and objectives of the various projects of OISA and called on member states, companies and financial institutions to participate in the projects. OISA aims at coordinating and unifying the efforts of the members in realizing cooperation among maritime companies, with the purpose of advancing maritime transport to eventually facilitate intra Islamic trade.

M. Murat İLKİN, Researcher, SESRTCIC :

Mr. Ilkin, in his presentation, titled **Trade and Transportation in the OIC Countries: Infrastructure and Capacity Building**, gave an overview of the level of infrastructure and capacity in the OIC Region with relevant transport indicators related to the different modes of transportation. In doing so, he compared the level of infrastructure and capacity in the OIC sub-regions, namely OIC-Africa, OIC-West Asia and OIC-Asia, and OIC region with that of other countries and regions. He also discussed efforts of OIC countries members of various regional groupings in facilitating trade and transport. The paper also examined regional transport projects which included OIC countries as well as highlighted some obstacles in trade and facilitation in the region.

PROF. Dr. M. A. MOTTALIB, Head Department of Computer Science and Information Technology (CIT), Islamic University of Technology (IUT):

The IUT paper titled **a flexible cross-border trade framework for popularizing and easing e-commerce among OIC member countries**, has stressed out an efficient trade framework has been presented which is to ease communication hassle and to regularize a flexible way of transportation for goods among OIC Member Countries. Introducing some statistics it is observed that B2B trade is more promising than B2C for OIC countries for near future. Moreover, showing the graphical presentation, it has been observed that the exports and imports have a clear relationship with ICT infrastructure, like telephone density, internet penetration rate, etc. Thus ICT infrastructure development should emphasize to enhance the trade situation. Some trade barriers and important issues have been identified among which information dissemination and transportation are important. Then a very interesting trade framework has been presented with an efficient portal having advanced search in context, not only by keywords i.e. recommender system, multi-language support, an efficient e-hub and most importantly freight tracking system. Moreover, a checklist for infrastructure and business considerations has been identified for into e-commerce. Finally it is stated here that here that in this age of globalization, OIC Countries have to compete with most developed countries. So he reverberated the words **we have to increase the information sharing, bilateral trade among OIC Countries in an easier way**, not by tight security. It is the time for capacity building; it is the time for building infrastructure.

M. MUSLEH-UD DIN, Chief of Research, Pakistan Institute of Development Economics: presented a paper on Pakistan's experience in trade and transport facilitation and its potential as regional hub for trade. He mentioned that the trade policy of Pakistan based on the ongoing trade liberalization consisted of reduction in import tariffs, simplification of tariff structure, removal of quantitative restrictions on imports and adoption of a market based exchange rate system to bring about equilibrium in the balance of payments. He then underlined the simplification of customs documentation and the importance of customs valuation information which enables the importers to access the exchange data for their consignment. He then touched on the various modes of transport, namely railroad network, air transport, sea transport. In this context referred to the level of development of these modes in

Pakistan, which even though is satisfactory, needs further development. He referred to the objectives, which focus on more sustained and economic growth.

Mr. Akbarali Pesnani, Chairman Gwadar Port Implementation Authority-GPIA, Potential of Gadwar Port as a Transit and Trade Port of the 21th Century.

In his presentation he informed the workshop that the Gwadar Port will serve as the transit and trade port of the 21st century. He further mentioned that this port could provide access for transport of goods to Afghanistan, Central Asia and China and would also serve as a possible outlet for oil export. In addition it would accelerate economic development of Pakistan and would also establish special economic zones. He also stated that the soft opening of the port would be in December 2004 and the final handing over of the project to the private sector would be in April 2005. The Gwadar project was being built as a joint venture between the government of Pakistan and China and on completion would be operated by the private sector. Both local and foreign private sector could benefit from the advantages of transit trade through Gwadar, as it would provide an efficient road network, quick transit movement and an adequate infrastructure.

Mr. Javid Mansoor, Executive Secretary National Trade and Transport Facilitation Committee - NTTFC - PAKISTAN, presented a paper on Trade and Transport Facilitation in Pakistan. He mentioned that the NTTFC is a national forum to propose, discuss, consult and search consensus between commercial parties and governmental authorities on facilitation measures to improve international trade and transport. He stated that the NTTFC carried out a work on simplified customs documents and procedures, modern transport legislation, awareness of international transport and customs conventions, trade transactions analysis. Mr. Mansoor further mentioned that the NTTFC is also bringing all documentation in a standardized format into a computerized format that would improve the national environment for international trade transactions.

Mr. Mustapha ALLALI, Expert Consultant from ICDT in his paper titled **The Simplification of the Procedures of the International Trade and the Trade Efficiency between the States of the Organisation of the Islamic Conference** pointed out that the OIC Countries are differently involved in this process. Some of them seem to have managed to go through this process in a successful manner in so far as important reforms in the field of trade facilitation have been initiated and have drawn closer the foreign trade procedural system to international norms and standards. He also mentioned that an excessive formalism both at import and export levels of goods between the OIC Countries, hampers competitiveness of exporting enterprises by heavy administrative documents and formalities required by national legislations and especially, the inopportune and nit-picking controls of the various intervening parties of the chain of the customs clearance process, from customs warehousing to the physical checking of goods. Moreover a rational position of Islamic countries implies the setting up of a focal point in each Islamic country whose task would be to ensure the coordination and follow up of the works at national and regional levels as well as at international level with a view to defining the position of Islamic countries relating to trade facilitation. And with a view to modernizing their customs administrations and

services, the OIC countries are attempting to reach the lever which would allow them to improve their efficiency. He also stated that in order to meet the challenges of efficiency and competitiveness, the modernization of the administrative structures is imperative, it should be accomplished through the dematerialization of its processes by simplifying the work procedures and practices. Mr. ALLALI added that the efficiency of customs controls of goods flows is increasing thanks to the proliferation of free trade areas and the quasi generalized practice of dumping in the field of trade while endeavoring to control the origin risk in favor of a better protection of economy. The control methods ranging between immediate control and delayed real time control are strengthened by thanks to targeting automation. The choice of the selectivity to improve and burn in the control system requires an updating and adaptation to a changing environment. Finally he said in compliance with the commitments of the OIC Countries within the WTO the tariff structure that is practiced in most of the customs administrations is based upon the HS nomenclature, its use is recommended by the WCO. The major objective being the authorization entirely automated customs clearance including automatic calculation of taxes. The implemented tariff policy should be subjected to different reforms in order to make it more rational and better structured with a real impact thanks to tariff binding.

Experience of Turkey in Trade and Transport Facilitation

Cahit Gokcelik, Undersecretariat of Customs, Deputy General Director

Osman Tural, Counselor of the Minister of Transport and Telecommunications

Koray Demircan, Undersecretariat for Foreign Trade, Assistant Expert

The Turkish delegation stated that Turkey is pleased to see trade and transport facilitation on the agenda of the OIC, a topic that has gained crucial importance for the last decade not only among developed countries but also international organizations like the WTO and the WCO. The WTO Doha Ministerial Conference of 2001 has agreed to focus on trade facilitation with intention of signing a WTO Agreement and started introducing documents that elaborate Articles V, VIII and X of the GATT 1994 Agreement relating to trade facilitation.

Exchanging products and services effectively may contribute to the growth of intra-OIC trade. Because the losses that business suffers through delays at borders, complicated and unnecessary documentation requirements and lack of automation deters the traders and investors to do business with their potential partners. Therefore, trade and transport procedures should be simplified, harmonized and automated. Moreover, companies should be able to acquire information on other member countries' importing, exporting regulations and customs procedures.

CONCLUSION AND RECOMMENDATIONS

At the end of the presentations the participants in the workshop were of the opinion that there is a need for a favorable legislative framework for trade and transport facilitation, in the domains of infrastructure, support services and financial support.

RECOMMENDATIONS:

1. To invite member countries to harmonize their national and regional legislatives procedures in conformity with the existing international regulations to facilitate trade and transport
2. To call upon Member countries to take necessary steps to develop an adequate infrastructure for air, maritime road and railway transport and support services
3. To call upon the member countries to use ICT for facilitation of trade and transport
4. To call upon the member states to allocate adequate financial resources and seek the support of international and regional financial institutions to mobilize necessary funding for building infrastructure and capacity in trade and transport
5. To call upon members states to train human resources for trade and transport facilitation and ICT
6. To call upon member states to exchange their experiences in the field of trade and transport and obtain support of international organizations for technical cooperation
7. To call upon member states to involve the private sector in developing trade and transport facilitation projects and provide them with necessary incentives
8. To encourage member states to evolve consensus among themselves at international forums on matters related to trade and transport facilitation
9. To encourage member countries to take regional initiatives for trade and transport facilitation in their respective regions
10. To call upon member countries to develop transit corridors for all modes of transportation under regional initiatives
11. To promote and effectively implement the regional initiatives relating to trade facilitation and transit transport systems in compliance with regional and international bilateral conventions;
12. To create professional associations of carriers and forwarding agents at national and regional levels or to strengthen the existing ones;
13. To call upon member countries to provide a national focal point if possible with a database for international trade and transport facilitation. In this respect ICDT to coordinate
14. To call upon member countries to take into consideration the recommendations of Private Sector Meetings on trade and transport facilitation
15. To call upon the governments and relevant institutions to pay due attention to the landlocked countries and facilitate them to enhance trade.
16. To call upon the member states to encourage the use of modern financing modes with greater involvement of to the private sector
17. To call upon member states to facilitate Cross-border trade by accelerated use of Information Technology,

18. To call upon member states to take necessary steps to make detailed information available on Internet regarding products and business policies so that the business will be diverted to the OIC countries and online communication system may be adopted
19. To call upon member states to build adequate cargo facilities at intermodal transfer points
20. Call upon OIC Member States to become party to WCO Revised Kyoto Convention and follow up developments undertaken within the WTO regarding trade and transport facilitation
21. Call upon Members states to adopt a single window approach whereby information is provided to a single body, usually customs, to fulfil all import or export related regulatory requirements
22. Call upon Members countries to meet the requirements of the WCO REVISED ARUSHA DECLARATION concerning good governance and integrity in customs
23. To call upon member countries to establish a trade and transport facilitation committee involving private and public sectors institutions, especially the representatives of the ministries of trade, transport, ICT, and customs and the representatives of Private Sector Trade, transport and customs brokers associations
24. To call upon member states to increase awareness of the existing basic tools for Trade Facilitation (developed by specialized institutions like the World Bank, OECD, UNECE, WTO, WCO, etc.) by translating into OIC official languages.
25. To call upon member states to adopt suitable measures for elimination bottlenecks due to different track gauges in the railway sector,
26. To call upon member countries to define and realize common policies and develop project concerning the construction and operation in all transport modes
27. To call upon member states to work on harmonizing their passage insurance systems and simplifying entry procedures for passengers and vehicles
28. To call upon member states to adopt necessary safety and security measures of their trade and transport chain
29. To call upon ICDT to initiate studies on Maghreb and West African countries related to the introduction of multimodal transport operations covering trade and transport facilitation measures which IDB can support as it has already done in the ECO region
30. To call upon ICCI to hold workshops on various issues related to trade and transport facilitation in cooperation with related OIC institutions particularly IDB and other international and regional organizations
31. To call relevant OIC institutions each in their field of expertise to assist and support member states in the realization of the various studied, training and preparation of projects

Closing Ceremony:

The closing ceremony was chaired by Mr. SHAHID BASHIR, Joint Secretary Foreign Trade, Ministry of Commerce of the Islamic Republic of Pakistan. It was attended by the Islamic Centre for Development of Trade and the OIC Secretariat General. ICDT's representative read out the report and recommendations of the meeting that were adopted by participants. A motion of thanks was addressed to His Excellency Mr. SHAUKAT AZIZ, Prime Minister of the Islamic Republic of Pakistan.

**WORKSHOP ON
TRADE AND TRANSPORT FACILITATION AMONG OIC MEMBERS STATES"
14TH - 16TH September, 2004
Serena Hotel, Islamabad**

LIST OF PARTICIPANTS

S.N	Name / Designation	Country / Organization
1.	MR. NURUL ISLAM First Secretary	Peoples Republic of Bangladesh High Commission Islamabad
2.	MR.WALID -EL- MELIGY Third Secretary	Embassy of Republic of Egypt Pakistan
3.	MS. EMAN SAMY YAKOUT/ Egyptian Embassy	Embassy of Republic of Egypt Pakistan
4.	MR. GALI SHAIMAKOV / Counselor, Embassy of the Republic of Kazakhstan	Republic of Kazakhstan
5.	MR. MOHD. ZAINAL NOR / Principle Assistant Director	Malaysia
6.	MR.SADI KORAY DEMERICAN	Under Secretariat For Foreign Trade Republic of Turkey
7.	MR. CAHIT GOKCELIK Deputy Director General For Customs	Republic of Turkey
8.	MR. OSMAN TURAL Advisor To The Minister	Ministry Of Transport Republic of Turkey
9.	MR. SALAMI KERIM / Director Des Projects	Togo Port Autonone Delore
10.	MR. A. AL MANSOORI / First Secretary	U.A.E
11.	MR. AKBARALI PESNANI / Chairman	Gawadar Port Implementation Authority Pakistan
12.	MR. MUSLEH-UD-DIN Chief Of Research	Pakistan Institute Of Development Economics
13.	MR. SHAHID BASHIR Joint Secretary (Foreign Trade)	Ministry Of Commerce Government Of Pakistan

14.	MR. SYED ITRIQA AHMED Economic Consultant	Ministry Of Commerce / Government Of Pakistan
15.	MR. SALEEM AHMED RANJAH / Deputy Secretary	Ministry Of Commerce Government Of Pakistan
16.	MS. HUMAIRA ZIA MUFTI Section Officer	Ministry Of Commerce Government Of Pakistan
17.	MR. NAZIR AHMAD AWAN Director	Export Promotion Bureau Ministry Of Commerce
18.	MR. KHARIM AZIZ Chief Executive	Barkat Rice Mill (Pvt) Ltd. Pakistan
19.	MR. BADAR BADAT Director	Pakistan International Freight Council Pakistan
20.	MR. MUHAMMAD MOHSIN	Trade Marks Registry Karachi Pakistan
21.	MR. SHAHZAD LODHI Manager Admin Pakistan Re- Insurance Corporation	Pakistan Re-Insurance Corporation
22.	MR. JAVAID MANSOOR Executive Secretary	Pakistan/ National Trade Transport Facilitation Committee
23.	MS. ATTIYA NAWAZISH ALI Assistant Secretary General Administration	Islamic Chamber Of Commerce
24.	MR. MASOOD -UL-HASAN	Barkat Rice Mills Pakistan
Representation from OIC Institutions and International Organizations		
25.	PROF. Dr. M.A.MOTTLALIB Head, Dept Of Computer Science &Information Technology	Islamic University of Technology Bangladesh
26.	MR. RAHMOUNI HOUCINE Deputy Director General of ICDT	Islamic Centre for Development of Trade Casablanca, Morocco
27.	MR. ALLALI MUSTAPHA Expert	Islamic Centre for Development of Trade Casablanca, Morocco
28.	MR. SALL AMADOU CIRE Expert	Islamic Centre for Development of Trade Casablanca, Morocco
29.	DR. ABUREZA Senior Economist	Islamic Development Bank
30.	MR. MURAT İLKİN	SESRTCIC

Annex 13 to OIC/COMCEC /20-04/REP

31.	MR. AQEEL AHMAD AL- JASSEM Secretary General	Islamic Chamber of Commerce and Industries
32.	DR. F. AHMAD	Islamic Chamber of Commerce and Industries
33.	MR. MAXENCE ORTHLIEB Chief, Trade Facilitation Section	United Nations Conference For Trade And Development
34.	MR. RAYMOND MC DONAGH Deputy Director	World Customs Organization
35.	MS. SHUMAILA RIFAQAT Professional Officer	United Nations Development Program Pakistan

- 14 -

REPORT OF THE SESSIONAL COMMITTEE MEETING

(Istanbul, 22 November 2004)

Original: English

**REPORT
OF THE SESSIONAL COMMITTEE
(Istanbul, 22 November 2004)**

1. The 5th Sessional Committee Meeting was held on November 22nd, 2004, in Istanbul, Turkey prior to the 20th Session of the COMCEC. The meeting was chaired by H.E. Ambassador Nabika Diallo, Assistant Secretary General of OIC. The meeting was attended by the following;

- General Secretariat of the Organization of the Islamic Conference
- COMCEC Coordination Office
Statistical, Economic and Social Research and Training Centre for Islamic Countries (SESRTCIC)
- The Islamic Centre for Development of Trade (ICDT)
- Islamic Chamber of Commerce, Industry and Commodity Exchange (ICCI)
- The Islamic Development Bank (IDB)

The meeting was also attended by a delegation from the Republic of Turkey.

2. The meeting adopted the following agenda items;
- i. Review of the Proposed Cooperation Projects within the OIC Plan of Action
 - ii. Review of the Trade Negotiations within the Framework Agreement on Trade Preferential System among the OIC Member Countries (TPS-OIC)

- iii. Review of the Preparations for the Economic Conference on the Occasion of the Anniversary of the 20th Session of the COMCEC.
- iv. Any Other Business

The Agenda was reviewed and adopted as presented.

Under Agenda item 1

3. The General Secretariat of the OIC and the COMCEC Coordination Office briefed the Committee about the efforts undertaken by them, in contacting the Member States regarding the status of the projects. The representative of the General Secretariat informed the Committee that to date no response was received from the Member States.

4. The Turkish institutions then presented the project profiles on project numbers 7, 8, 9, 10, 14, and a new project entitled World Gold Markets and Cooperation possibilities among Islamic Countries, respectively:

Turkish Patent Office

Small and Medium Industry Development Organization of Turkey

TUSAŞ Aerospace Industries Inc. (TAI)

Technology Development Foundation of Turkey

Scientific and Technical Research Council of Turkey (TÜBİTAK)

Istanbul Gold Exchange

5. The Committee welcomed these presentations and requested that Turkish institutions make the necessary lobbying to involve other Member States and private investors during this COMCEC Session and Business Forum. Thereafter, Turkey, as a proposing country may form project committees as conceived in the OIC Plan of Action. The concerned OIC institutions may also be involved in such committees.

6. Apart from the above projects the Committee resolved to prepare a revised list of projects in line with the decision taken by the Sessional Committee Meeting held on May 10th 2004 in Istanbul.

7. The representative of the IDB informed the Committee that the IDB has thoroughly reviewed the list of projects. And it was observed that the projects were primarily ideas and no detailed feasibility studies were made available. Furthermore, the projects have not been introduced through the official channel of IDB governors for the relevant countries. IDB expressed its readiness to look into some of these projects provided that:

- They are in line with the IDB Strategic Plan
- They are introduced through the concerned IDB governor
- Detailed feasibility study is submitted

8. The representative of IDB said that projects number 3, 6, 9, 13, 33 may be suitable for possible financing by IDB once the project committee is formed by interested parties and IDB's aforementioned policies and procedures are met.

9. The ICCI confirmed that it had included projects 35 and 36 in the ICCI Plan of Action and will be implementing them with the cooperation of the Member Chambers.

10. ICDT representative submitted a comprehensive report on the implementation of the projects proposals made in the EGM on foreign trade held in Karachi (Islamic Republic of Pakistan) in September 1997. ICDT implemented the projects number 27, 34, 37, 40. As for the other projects, they are under implementation such as projects number 38, and 39 (the Progress Report presented by ICDT on the projects under its responsibility is attached as Annex 3).

11. The representative of SESRTCIC, recalling the outcome of the previous Sessional Committee held in May 2004 in Istanbul, indicated that project number 31 has been taken over by IDB, and projects number 30, 32, and 34 have been taken over by ICDT.

12. Concerning projects number 24, 26 the representative of SESRTCIC informed that these have also been merged and that the Center compiled the assigned directory and sent a copy to IDB for comments and feedback prior to its publication in its final version. The same draft was also circulated to the Committee.

13. Concerning project number 25, the representative of SESRTCIC informed that the Ankara Center worked on this project, particularly in terms of the collection and dissemination of data on the money, banking, and financial institutions. A statistical booklet on the subject compiled by the Center was circulated to the Meeting.

14. Concerning project number 33, the Committee was informed that SESRTCIC prepared a report on the subject that was also circulated to the Meeting.

15. The Committee took note, with appreciation, of the contributions made by Ankara Center as enumerated above and encouraged it to ensure the widest possible circulation, (the documents presented by SESRTCIC are attached as Annexes 4, 5, and 6).

16. The Committee decided to submit the following projects to the COMCEC Session for approval of their deletion:

Sl. No	Project Proposals/Ideas	Proposing State/ Institution	Interested Country
	TECHNICAL COOPERATION		
1.	Technical cooperation in the area of Software Engineering Among OIC Member States.	Jordan	
2.	Technical Cooperation in the Area of Heritage Preservation Among OIC Member States.	Jordan	
3.	Production of pulp and paper in Sudan.	Sudan	
4.	Strengthening the Innovation, Design and Prototype Manufacturing Centre.	Sudan	
5.	Shelter and Habitat in Sudan.	Sudan	
6.	Photovoltaic Cells Production.	Sudan	
11.	Energy Research and Technology Development Centre For Islamic Countries.	Turkey	Saudi Arabia, Kazakhstan
12.	Space Agency for Islamic Countries.	Turkey	Kazakhstan

Annex 14 to OIC/COMCEC/20-04/REP

13.	Distance Educational Project.	Turkey	
15.	Metametrone and Metribuzine Process development for production of the 1,3,4 triazine 6 one deriv, which are used as fungicide in Iran.	Iran	Saudi Arabia
16.	lonoxyail (totril) Process development for this valuable fungicide and its Dibromo analogue.	Iran	Saudi Arabia
17.	Carbamazepine Process development for production of Carbamazepine at 25 MT/year capacity.	Iran	Saudi Arabia
18.	Sut-SOFT, Software for modeling of Heat Transfer, Mass Transfer and Stress Analysis.	Iran	Saudi Arabia
19.	Field-Test establishment.	Iran	Saudi Arabia
	MONEY, FINANCE AND CAPITAL FLOWS		
20.	Establishment of an Islamic Insurance-Reinsurance Corporation.	Turkey	
21.	Islamic Finance Corporation under the Auspices of the IDB.	Turkey	
22.	Multilateral Islamic Clearing Agency (Union).	Turkey	
23.	Development of a cohesive multi-year programme for Training and Seminars to be conducted in Financial and Monetary Fields.		
	FOREIGN TRADE		
28.	Establishment of Islamic Trading House(s).	Turkey.	
29.	A Mechanism for Integration of the OIC Member Countries to the World Trade System.	Turkey	Burkina Faso

17. The Committee also urged the Member States to actively participate in the implementation of the projects once the project committees are formed by the proposing country.

Under Agenda item 2

18. The COMCEC Coordination Office and the ICDT briefed the Committee on the recent developments of the TPS/OIC negotiations. In this regard, two sessions of the Trade Negotiating Committee (TNC) were held in Antalya in April and September 2004.

19. The Committee expressed its appreciation to the COMCEC Coordination Office and the ICDT for the efforts exerted in managing the negotiations. The committee also expressed its thanks to IDB for its financial support.

Under Agenda Item 3

20. The representative of the COMCEC Coordination Office briefed the Committee regarding the OIC Economic Conference and Business Forum being held on the occasion of the Anniversary of the 20th Session of the COMCEC.

21. The Committee concluded its session with thanks to the Chair and to the participants.

- 15 -

FINAL COMMUNIQUE OF
THE OIC ECONOMIC CONFERENCE

(Istanbul, 23-27 November 2004)

Original: English

**FINAL COMMUNIQUE OF
THE OIC ECONOMIC CONFERENCE**

(Istanbul, 23-27 November 2004)

The OIC Economic Conference organized by the COMCEC Coordination Office and the Islamic Development Bank (IDB) in collaboration with the Turkish Union of Chambers and Commodity Exchanges (TOBB), was held in Istanbul, Turkey, during 23-27 November 2004 in conjunction with the 20th anniversary of the COMCEC. The OIC Conference was composed of the Business Forum, Panel Discussions and Ministerial Brainstorming Sessions.

Having considered the outcomes of the Business Forum, the Panel Discussions on "Framework for Promotion of Intra-OIC Trade and Investment", "Achievements of COMCEC in the Past Twenty Years and its Future Prospects for OIC Economic and Commercial Cooperation" and "Enhancing the Institutional Set up and Mechanisms for the OIC Economic and Commercial Cooperation", the COMCEC Ministerial Session agreed on the followings and urged the member countries the concerned OIC institutions to follow up and implement them accordingly:

Information and Networking in the Area of Trade and Investment

1. In order to create bases for networking and increased connectivity among the OIC Member States, it is necessary to establish clearly where the OIC Member States stand in terms of trade and investment reforms, prospects, capacities and potentials and review what initiatives and efforts are already under way at national, regional and international levels to deal with trade and investment related issues.

1.1. Measures need to be taken by the COMCEC to further develop the availability of trade and investment information collected and shared through the existing networks, including business directories, information on trade and investment opportunities, market analyses, information on business practices and other national economic data. In this context, the capacities of the OICNetworks and other portals in these areas should be consolidated to

facilitate exchange of such information among end users in the Member States, through incentives and support to be provided by the IDB in cooperation with the relevant OIC institutions.

1.2. A proper assessment of infrastructure facilities, production capacities, and demand-supply conditions in the OIC Member States, as well as assessment of incentives deployed in each of them should be undertaken, through research, studies and surveys by the Member States and the relevant OIC institutions, including the IDB, to sensitize the potential investors and traders about the investment and trading climate in the Member States.

1.3. In order to lead a result-oriented and sharply focused process, there is need to establish, as early as possible, a team consisting of investment and trade executives from public and private sectors in the OIC the member countries that could serve as the driving force as well as interlocutor at the level of the OIC on investment and trade related matters. In addition, the team would also include the representatives of the IDB, ICC1, the COMCEC Coordination Office and MIMOS, if and when necessary, key regional/multilateral organizations.

Development of Infrastructure and Institutional Capacity

2. Development of adequate infrastructure facilities, human resources and institutional capacity for an enabling investment and trading environment in the OIC Member States is essential for development of intra-OIC trade and investment:

2.1. The focus of attention should be on insufficient access to electricity and water, low access to telecommunication, and low overall quality of infrastructure prevalent in many of the Member States, which pose major impediments to intra-OIC trade and investment.

2.2. Necessary measures need be taken at national as well as at the OIC level in order to have direct linkages among the OIC Member States in the field of transportation and telecommunication to enhance networking and reduce transaction cost in intra-OIC trade and investment.

2.3. Cooperation is to be encouraged through technical assistance, institutional capacity and professional exchanges in view of existence of some of the best practices within the OIC countries in specific areas. In this context, the proposal made by the Union of Chambers of Commerce and Commodity Exchanges of Turkey (TOBB) to share its experience in "chamber development" to enhance the institutional structure for private sector participation in the policy debate within and among the OIC countries is welcomed. The TOBB is requested to start the necessary work in this regard and report to the next Session of the COMCEC the progress achieved.

Banking and Finance

3. Having established rules in banking and finance are an integral part of the trade and investment promotion:

3.1. There is a need to establish an entity or an institution responsible for financial data processing and analyzing banking risks to facilitate the intra-OIC banking and financial transactions as well as to facilitate harmonization of the banking rules and regulations among the Member States.

3.2. An entity or an institution on risk management in the banking system should also be established in order to provide insurance for all transactions within the banking system and to secure the efficiency of the banking and financial infrastructure.

3.3. The Report of the Expert Group on Financial Market Integration held in the IDB in June 2004, containing several ideas and specific proposals, be adopted for its implementation and a follow-up mechanism be adopted on a priority basis.

Customs, Taxation, Visa and Administrative Aspects

4. It is necessary for all institutions that impact on transaction cost including the administration of all the investment and trade activity, to become uniform across all the OIC States. This will encourage the market players to explore ways and means of cooperation in production and exchange across the borders of the OIC countries:

4.1. The OIC Member States should deal with tariff and non-tariff barriers, with the aim of promoting intra-OIC trade and investment among them, considering, as a concrete example, the case of the European Union leading step by step towards a greater integration. In this respect, accession to the Framework Agreement on Trade Preferential System among the OIC Member States (TPSOIC) by all the OIC Member States will contribute towards the goal.

4.2. In this context, less burdensome regulations, well-defined ownership rights, respect for contractual obligations, sovereign and investment guarantee, the rule of law and international accounting standards should also be regarded as of paramount importance.

4.3. The OIC Member States need to be encouraged to seek improvement upon cumbersome judicial system, high entry costs for firms and delays in customs clearance.

4.4. The harmonization of the legal framework in the OIC Member States in terms of investment legislations will facilitate flow of FDI between the Member States.

4.5. Simplification of visa procedures and strengthening of diplomatic representations, and facilitation of grant of visa to the businessmen through Chambers of Commerce, will encourage intra-OIC trade and investment.

4.6. Participation in setting international standards and their application in products and processes, especially in e-business platforms, will lower the risks and ensure the rapidity of flow and higher volume of trade among the OIC Member States.

The Private Sector in the OIC Economic Cooperation Activities

5. Although the bulk of private sector enterprises in the OIC countries are in the SME category, they can benefit enormously from their being organized so that they are represented in public/private consultations. Similarly, privatization programs of the Member States have a vast potential for involvement of the private sector in the promotion of intra-OIC trade and investment:

5.1. Effective ways and means need to be worked out so as to involve the private sector actively in cooperation projects and economic activities under the auspices of the COMCEC. In this respect, representatives of the producers, traders and investors of the private sector in the Member States should also be invited to Sectoral Expert Group Meetings (EGMs) envisaged in the implementation mechanism of the OIC Plan of Action to Strengthen Economic and Commercial Cooperation Among the Member States.

5.2. In order to secure and expedite the convening of the EGMs, support and assistance, including financial contribution, may be sought, from the member states, and IDB and other relevant OIC institutions. Within this framework, due support should be given to the initiatives taken by the COMCEC to speed up of the implementation of the OIC Plan of Action.

5.3. A list of existing projects available for privatization should be prepared and disseminated to all chambers of commerce and industry, through the ICCL, as well as, to other relevant institutions, for their better marketing and attracting intra-OIC investment.

Alternative Forms and Modalities of Financing Cooperation Projects

6. To consolidate the intra-OIC economic cooperation under the auspices of COMCEC, best examples of financing modalities employed in some other regional groupings, schemes and unions may be adapted for utilizing the potentialities of cooperation in an effective manner:

6.1. The COMCEC may launch projects for cross-border cooperation, regional cooperation and trans-national cooperation in collaboration with the IDB and relevant national, regional and OIC institutions.

6.2. The COMCEC Coordination Office is to study new initiatives to mobilize resources for the promotion of cooperation projects and further develop them in the light of the field experience for consideration by the COMCEC in due course for eventual adoption by next Islamic Summit Conference.

Ownership of the Cooperation Projects

7. The importance of ownership of cooperation projects in the intra-OIC economic cooperation is now well recognized allowing the participation of all segments of civil society, including the private sector:

7.1. Ownership of the projects at the OIC level, under the OIC Plan of Action should be secured during their initiation for effective implementation. In this respect, the private sector should be brought in as a key player in economic and trade cooperation activity under the COMCEC.

7.2. The project proposals should be prepared on the basis of concrete ideas that address the common interest of the OIC Member States, with a greater focusing in areas of immediate promise.

Special Case of the African Countries

8. The OIC community has to continue supporting the special case of the African countries to foster the spirit of cooperation and solidarity among the OIC Member States:

8.1. Proper attention should be paid to the special needs of the African member countries in capacity-building, by providing adequate financial resources on sustainable bases, for enabling them to participate fully in OIC economic cooperation activities.

8.2. Particular support should also be provided in the area of social development, including especially the attainment of the Millennium Development Goals (MDG), increased and more efficient involvement of women in economic life and enhanced human resource development.

- 16 -

MESSAGE OF H.E. DR. ABDELOUAHED BELKEZIZ,
SECRETARY GENERAL OF THE ORGANIZATION OF THE
ISLAMIC CONFERENCE AT THE JOINT CLOSING CEREMONY

(Istanbul, 27 November 2004)

Original: English

**MESSAGE H.E. DR. ABDELOUAHED BELKEZIZ
SECRETARY GENERAL OF THE
ORGANIZATION OF THE ISLAMIC CONFERENCE
AT THE JOINT CLOSING CEREMONY**

(İstanbul, 27 November, 2004)

H.E. Dr. Abdullatif Şener
Minister of State and Deputy Prime Minister
Of the Republic of Turkey,
Excellencies,
Ladies and Gentlemen,

Assalamu Alaikum Wa Rahmatullahi Wa Barakatuh.

First of all, I would like to commend the Chairman of COMCEC for his decision to hold a commemorative OIC Economic Conference on the occasion of the 20th anniversary of COMCEC. This has given the Member States the much needed opportunity to review the role of COMCEC in developing economic and commercial cooperation among the Member States. The Final Declaration adopted at the close of the Economic Conference indicates important directions for the COMCEC to follow.

At the close of this 20th Session of the COMCEC, I would like to thank all the Ministers, heads of delegation and the delegates for their sincere efforts to arrive at a number of important decisions.

In the sphere of promotion of inter-OIC, we have gone a step forward by adopting a number of important directions for the Trade Negotiating Committee to follow. Happily adherence to the Framework Agreement on Trade Preferential System among Member States has increased by its signature by four more Member States. I do hope this will be followed up by further signatures and ratifications in the near future, God willing. I also wish to thank once again the Republic of Turkey for continuing to host the meeting of the first round of trade negotiations, which I hope will be successfully concluded by April next year.

Mr. Chairman,

During this Session, we have taken some important decisions concerning the process of implementation of the OIC Plan of Action for the development of economic and commercial cooperation among the Member States. An important thrust has been given at this session to involvement of the private sector in the promotion of economic and commercial cooperation. The Business Forum organized alongside the Session and the economic conference brought out important issues which can serve as guidelines for our future action. The Forum has indeed been worthwhile and I hope such a forum will be held alongside the future COMCEC sessions.

Our discussions on the topic "Trade and Transport Facilitation among the OIC Member States" were held at an appropriate time. We have endorsed an important set of recommendations that emerged from the workshop held on the topic in Pakistan in preparation for the exchange of views at this session.

Before I conclude, I wish to express again my thanks and appreciation to H.E. Ahmet Necdet Sezer, President of the Republic of Turkey and Chairman of COMCEC for the valuable efforts he exerts and for the wisdom with which he directed our deliberation.

I also wish to thank H.E. Dr. Abdullatif Şener for his smooth conduct of this session, on behalf of the President of the Republic of Turkey and for having led it to such a satisfactory conclusion. I address my appreciation and congratulations to the COMCEC Coordination Office, for its efforts in meticulously organizing the work of the Session. I cannot fail to thank the interpreters the translators and all those who have contributed to the success of our conference.

I wish to assure you all that the OIC General Secretariat will not spare any efforts in implementing all COMCEC resolutions.

This is the last session of COMCEC before I hand over charge to my successor Prof. Ekmeleddin İhsanoğlu. It has been a privilege to work with the distinguished Chairman of COMCEC and his able associates. I wish to convey my deep sense of gratitude to all in COMCEC Office for their kind support during my tenure as the

Secretary General. I would like to place on record also my sincere gratitude to all Member States for their support in discharging my onerous responsibilities. I wish you all blessings of Allah Subhanahu Ta'la.

Wassalamu Alaikum Wa Rahmatullahi Wa Barakatuh.

-17-

STATEMENT BY H.E. KÜRŞAD TÜZMEN,
MINISTER OF STATE OF THE REPUBLIC OF TURKEY
AT THE JOINT CLOSING SESSION

(Istanbul, 27 November 2004)

Original: Turkish

**STATEMENT BY H.E. KÜRŞAD TÜZMEN,
MINISTER OF STATE OF THE REPUBLIC OF TURKEY
AT THE JOINT CLOSING CEREMONY**

(Istanbul, 27 November 2004)

Honorable Ministers,
Distinguished Delegates,
Esteemed Guests,

I would like to commence by expressing my satisfaction at the successful conclusion of the Twentieth Session of the COMCEC. I have always firmly believed that the COMCEC will help consolidate the economic and commercial cooperation among the member states.

Esteemed Ministers,
Honorable Delegates,

The economic conference on the occasion of the Twentieth Anniversary of the COMCEC held panel discussions to assess the economic and commercial cooperation among Islamic countries, a business forum aimed at generating a dialogue among our businessmen and the brainstorming session between distinguished ministers and businessmen took place. I would like to express my gratitude to all the ministers, businessmen, experts and you distinguished delegates. I believe active involvement have led to important decisions concerning development of the economic and commercial cooperation among the member states. These decisions constitute not only a road map for us, but also serve as guidelines for COMCEC activities.

Honorable Ministers,
Distinguished Delegates,

The views expressed by all the participants during the meetings clearly prove that Member States share the desire and determination to further develop the economic relations existing among them. Problems faced in the economic and commercial relations among OIC Member States as well as future areas of cooperation were

discussed. What has to be done now is to translate them into concrete projects and implement them as soon as possible. All Member States have So make the necessary efforts in order to achieve (he expected results in this regard

Esteemed Ministers,
Honorable Delegates,

As mentioned in the reports of the OIC institutions, it is imperative to implement practical, transparent and applicable development strategies in collaboration with the private sector and non-governmental organizations. It is necessary to keep track of world events and take important steps by improving the conditions prevailing in our countries to allow a more efficient cooperation on the road to global development. I firmly believe that these efforts will result in synergy and ensure welfare and happiness to all the peoples of the Member States.

Distinguished Ministers,
Honorable Delegates,

I am convinced that the expansion of the trade among OIC Member States will retain a prominent position in our cooperation efforts. In this framework, considerable reductions in the tariffs, elimination of non-tariff barriers, the development of channels for the exchange of trade information leading to facilitation of trade and transportation acquire significance.

I would like to take this opportunity to reiterate my thanks to the IDB and the ICDT for their efforts toward increasing trade and for the technical support provided before and during the WTO meetings.

I would also like to congratulate Qatar, Syria, the United Arab Emirates and Kuwait for signing the Framework Agreement for the Preferential Trade System Among OIC Member States and I hope that the abovementioned agreement will be ratified as soon as possible to allow them to participate in the ongoing trade negotiations. I would like to take this opportunity to invite the other Member States to join in by signing and ratifying the Framework Agreement.

Honorable Ministers,

Distinguished Delegates,

We can not ignore the important part played by the private sector as a prime player in economic activities and trade. For the first time this year, business forum was organized with the contribution of the Union of Chambers and Commodity Exchanges of Turkey concurrently with the COMCEC session. Two hundred businessmen active in various sectors participated in the forum. I wish to thank the Union of Chambers and Commodity Exchanges of Turkey for their efforts. Businessmen have great responsibility in striving to eliminate the barriers to investment and trade between our countries. Our businessmen will help the governments perceive the existing problems, will propose solutions to these issues and convey the result of their work to us. In this context, the contribution of the private sector has great importance for the implementation of lasting solutions.

We would like to organize in coming years a dynamic, target-oriented business forum as a platform where sectoral issues will be addressed as well as general issues of the business world, and where new business opportunities will be looked into.

At this point, I would like to kindly request the support of heads of delegation and the OIC specialized institutions in allowing more businessmen coming from Member States to participate in the second forum we plan to organize next year.

Distinguished Ministers,
Esteemed Delegates,

The exchange of views on "Trade and Transport Facilitation" held during the Twentieth Session of COMCEC has been beneficial. The views and recommendations expressed in this regard will greatly contribute to the development of trade among OIC Member States. Likewise, the simplification and harmonization of customs procedures are of paramount importance.

"The Role of Tourism in the Promotion of Economic Cooperation among the OIC Member Countries" chosen for the exchange of views section to be held in the next COMCEC session is appropriate. The First Tourism Fair of Islamic Countries to be organized concurrently with the COMCEC session next year makes this subject matter even more appropriate.

Esteemed Ministers,
Honorable Delegates,

In the twentieth year of its existence, COMCEC has become an institutionalized successful economic cooperation forum in the framework of the Islamic Conference. There is no doubt that all Member States have a great share in this achievement. I hope that your valuable support will continue in the future.

In conclusion, I would like to express my feelings of deep gratitude to all delegations which have contributed to the success of this session, the esteemed academicians and experts who have participated in the panel discussions, our businessmen, who took part in the business forum, the General Secretariat of the OIC, the relevant bodies of the Islamic Conference, particularly the Islamic Development Bank as well as the Union of Chambers and Commodity Exchanges of Turkey for their invaluable contributions.

May I take this opportunity to thank the COMCEC Coordination Office for their diligent efforts over the last 20 years as the COMCEC Secretariat.

I would also like to thank this entire supporting staff and the interpreters for their hard work toward the success of the meetings.

With the hope to see you next year at the Twenty First Session of COMCEC, I would like to wish you a good trip home.