

Statement
by
Dr. Seyed Ali Mohammad Mousavi D-8 Secretary General at
5th Think Tanks Forum of the OIC Countries
21-22 February 2014, Baghdad, the Republic of Iraq

His Excellency Dr. Torhan M. Al Mufti,
Honorable Minister of Communications and Provincial Affairs of the Republic of Iraq,

His Excellency Mr. Süleyman Şensoy,
Distinguished Chairman of TASAM

Distinguished participants,
Ladies and Gentlemen,

On behalf of Developing Eight Countries Organization for Economic Cooperation (D-8), it is a great honor and pleasure for me to be with you all at this important forum, **5th Think Tanks Forum of the OIC Countries.**

First, I would like to extend my heartfelt gratitude to the Government of Republic of Iraq, Iraqi Prime Group for Strategic Studies and Turkish Asian Center for Strategic Studies (TASAM) for this well-prepared Forum, providing us with this wonderful venue in capital city of Baghdad. I would also like to express my appreciation to all participants for their presence and for their contribution in the Forum.

Distinguished Participants, Ladies and Gentlemen,

As the outline, I would like to draw briefly some highlights of D-8 Organization for Economic Cooperation. D-8 is an intergovernmental organization and currently consists of eight developing countries, namely the People's Republic of Bangladesh, Arab Republic of Egypt, Republic of Indonesia, Islamic Republic of Iran, Malaysia, Federal Republic of Nigeria, Islamic Republic of Pakistan and the Republic of Turkey. This means that all D-8 Member States are also members of the Organization Islamic Cooperation (OIC).

The idea of the establishment of D-8 Organization goes back to the Cooperation for Development Conference, held in October 1996 in Istanbul at the initiative of late Professor Necmettin Erbakan, then Prime Minister of Republic of Turkey. D-8 Organization was officially established through the Istanbul Declaration of Summit of Heads of State/Government (1st D-8 Summit) on 15 June 1997.

The D-8 countries are rich with natural resources and high population, characterized by economic potency, huge and beautiful geographical endowment. D-8 has a vast potential for development, given large amounts of land, abundant inexpensive and skilled labor,

diversified human capital, rich natural resources, and a large market of more than 1 billion people.

D-8, as an intergovernmental organization, based on friendship, solidarity and pursuit of sustainable economic growth, endowed with abundant human and natural resources, aspires to become a dynamic economic grouping promoting sustainable development of its member states, as well as be a major actor in the global economic governance and system, and international economic cooperation.

The objectives of D-8 are to improve developing countries' positions in the world economy, diversify and create new opportunities in trade relations, enhance participation in decision-making at the international level, and provide better standard of living. As one of intergovernmental organization, D-8 commits to work towards broadening the support for the Organization at the national level within the member states, and strengthen its weight and voice at regional and international levels, including through active engagement in and promotion of South-South and South-North cooperation.

D-8 cooperation encompasses all areas including political consultation and coordination at the international fora such as trade, agriculture & food security, industry & SMEs, transportation, energy, communication and information, finance, banking and privatization, science and technology, poverty alleviation and human resources development, environment, health, tourism, and culture. In these areas, member countries hosted many technical meetings and explored different opportunities to promote, develop and strengthen relations among D-8.

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In this era of globalization and inter-dependence, governments in developed and developing countries are revitalizing their national economies through various strategies, policies, and measures, including through establishing or joining group/collective arrangements. The complexity of today's global economic environment has made it more important to recognize and encourage the qualitative as well as the quantitative aspects of growth, integrating such concepts as inclusiveness, environmental sustainability to provide constructive works.

Congruent with response of developed and developing countries to globalization, I would like to draw briefly D-8's Perspectives on Unity in Diversity among its Member States. From the onset, the goal has been to provide insight and stimulate discussion among all stakeholders on the best strategies and policies to overcome the obstacles to improved competitiveness in developing countries, including D-8 Member States. The concept of competitiveness thus involves static and dynamic components: although the productivity of a country determines its ability to sustain a high level of income, it is also one of the central determinants of its returns to investment, which is one of the key factors explaining an economy's growth potential.

It is worth to mention that adoption and pursuit of sound economic policies at the

national level to be further strengthened through solid cooperative efforts with the like-minded countries sharing commonalities is imperative for D-8 Member States. In addition, the level, degree, and kind of engagement and interaction with the dominant economic-financial institutions in the world economy are also yet to be pursued at the later stage.

The reality of diversity in many respects among the D-8 Member States is, somehow, taken for granted, including in the state of natural resource endowment, infrastructure, technical/technological advancement, etc. In this context, the D-8 members shall engage in cooperative efforts to ensure that the entire D-8 community benefits - collectively - from such capacities and capabilities and arrives at a higher level of development and prosperity, including in ameliorating the state of extreme wealth and rampant poverty.

Another important issue is the role of government and the private sector in the D-8 national economy, and how an optimal situation could emerge in each and every D-8 Member States between the two sectors to assist the collective effort. A closely related question is innovative arrangements for technical-technological cooperation between and among the member countries, by both public and private sectors. Innovative arrangements for investment and capital assistance are also equally relevant.

In addition, modern technology has evolved in the developed countries and bulk of the advanced, state-of-the-art technology is still in the hands of powerful few in the North with little or no sympathy for the plight of the South. Given this situation, the developing countries, including D-8 and OIC members, shall utilize the available technology in the South in order to reduce the level and degree of dependence on the North as well as strengthen cooperation in the field of transfer technology among themselves. This situation will be and always as one of main challenges for developing countries in the future.

Current dramatic developments in various parts of the world underline the crucial of democratic, good governance and homegrown political stability as prerequisites for a smooth process of long-term development and mutually beneficial relations with other countries, regional groups, and the world. These factors play a critical role as well in the external relations of countries/states, especially with regard to powerful developed countries and power blocs and alliances.

At this juncture, please allow me to enlighten the role of D-8 Organization towards globalization. The D-8 Organization - through its principal organs and technical meetings - has been experimenting, with the best possible ideas and formulas, to present an overall picture of the significant changes taking place at the global level with important implications and repercussions for the future of the cooperation. With the political significance of the upcoming 9th Summit in 2014 in Turkey, the Organization is bound to seize this momentum to enter its second life-cycle phase, and strategically devise effective way to achieve its entire goals, in accordance with the principles of its great founders.

In order to succeed this momentum, D-8 needs to underline and formulate new strategies, policies and measures to enhance effectively D-8 cooperation within with joint efforts at overcoming basic problems of the countries and to achieve economic development,

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particularly by increasing D-8 intra-trade. This is in addition to the countries' efforts to provide employment, reducing poverty, new investments, industrial and infrastructure development, hence progressing economic development and social welfare.

As indicated previously, the D-8, as one of economic grouping, is focusing increasingly on quality growth in its various activities. In this context, the D-8 Member States should start to explore which factors are necessary to ensure that national competitiveness remains sustainable over the longer term. The government as regulatory economic bodies and private sector as complementary in economic development process play significant roles to increase D-8 intra trade and social welfare.

Developing country governments, including D-8 Member States, need to create the right condition and institutional frameworks as a foundation upon which investment, innovation, and economic growth. In addition, the governments need also to promote policies to support natural resource management that will ensure the environmental sustainability of economic activity and reinforce its long-term viability. Applying corporate social responsibility principles in important for the natural resources industry in many developing countries. These foundations will bring the capacity to ensure sound, transparent financial and economic management as well as establish public policies that encourage private investment.

After more than a decade of robust trade and economic expansion that has contributed to improve the living conditions of millions of people, the current economic and political situation threaten to reverse this progress and set in train a backward process of 'de-globalization' in both the developed and developing worlds. In addition, world trade slowed notably during 2012, along with weaker global output. The sovereign debt crisis and economic recession in the euro area and continued financial deleveraging in most developed economies affected capital flows to emerging markets and other developing countries, adding to uncertainty about trade and economic prospects as well as enhancing market volatility.

In line with global trade development, allow me to highlight some figures of D-8 intra-trade. Since its establishment in 1997, D-8 intra-trade has increased steadily up to now. The volume of D-8 intra-trade increased impressively from US\$ 15 billion in 1997 to almost US\$ 150 billion in 2012. By percentage share to the volume of D-8 total trade, growth of D-8 intra-trade increased from 3.4% in 1997 to 8.2% in 2012, which represents a solid improvement. It is worth to mention that active and effective collaboration between and among governments; trade agencies and private sectors are seriously needed. Particularly, to meet the Organization's trade target to a level of 15-20 percent or US\$ 500 billion of D-8 total trade by the end of 2018.

In addition, cooperation and policies between D-8 countries are needed to respond to the short-term challenges while remaining cognizant of the implications for longer- term

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growth. D-8 needs to prepare mechanism for long-term sustainability economy by taking into notion the reflected current circumstances that have revealed important weaknesses in economic growth, including the need for much greater international policy coordination that recognizes the collective character of the globalization.

Coming to end of my remarks, I would like to conclude that the pressures stemmed from the current economic and political situation in the world had directly challenged D-8 to seek innovative ways to sustain their economies. The vision needs to address concerns for macroeconomic stability - both domestically and internationally - and for competitiveness, domestically. All these dimensions need to be organized in a coherent agenda.

I sincerely hope that this august gathering will be positioned well enough to accommodate the wishes' and aspiration of developing countries in providing think tanks for better serve their national interests, including the importance of economic-industrial-technological advancement through promotion of solid collective cooperative efforts.

I am confident that through our constructive think tanks, we will succeed in reaping the fruits of our endeavors in the near future. Once again, I would like to thank the to the Government of Republic of Iraq, Iraqi Prime Group for Strategic Studies and Turkish Asian Center for Strategic Studies (TASAM) for hosting this important forum and for their hospitality and I wish you all success in your endeavors and deliberations.

Thank you very much for your attention.