# KUALA LUMPUR 4-8 July 2008

# SIXTH D-8 SUMMIT

# Meeting Global Challenges Through Innovative Cooperation







Ministry of Foreign Affairs Malaysia

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Meeting Global Challenges Through Innovative Cooperation

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# CONTENTS

Foreword by the Minister of Foreign Affairs of Malaysia		
Message from the Secretary-General of D-8	111	
Message from the Secretary-General of the Ministry of Foreign Affairs of Malaysia	V	
What is D-8?	I	
Malaysia and D-8	3	
The 25 <sup>th</sup> Session of D-8 Commission	4	
The 11 <sup>th</sup> Session of D-8 Council of Ministers	4	
The 6 <sup>th</sup> Summit of D-8	5	
<ul> <li>D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation 2008-2018</li> </ul>	5	
Kuala Lumpur Declaration	6	
Rules of Origin Protocol of the D-8 Preferential Trade Agreement	7	
Statements by D-8 Heads of State/Government		
Retreat Session	11	
• D-8 Business Forum	11	
• The Launching of the International Media Centre	12	
Assessment of the Summit Outcome	13	

Outstanding Issues of D-8	15
List of D-8 Heads of State/Government, Foreign Ministers and Commissioners (as of the 6 <sup>th</sup> Summit of D-8, July 2008)	17
List of D-8 Activities between the 5 <sup>th</sup> Summit (Bali 2006) and the 6 <sup>th</sup> Summit (Kuala Lumpur 2008)	19
Tentative List of D-8 Activities during Malaysia's Chairmanship	20
List of D-8 Activities Organised by Malaysia from 1999-2008	21

#### Annexes

Annex A : 25 <sup>th</sup> Session of D-8 Commission, 4-5 July 2008	24
Annex B : 11 <sup>th</sup> Session of D-8 Council Of Ministers, 6 July 2008	49
Annex C : Agenda 6 <sup>th</sup> Summit of D-8, 8 July 2008, Kuala Lumpur	63
Annex D : Roadmap of Developing Eight Countries for Economic and Social Cooperation in the Second Decade of Cooperation, 2008-2018	64
Annex E : Kuala Lumpur Declaration on Meeting Global Challenges through Innovative Cooperation	77
Annex F : Rules of Origin for the Preferential Trade Agreement (PTA) Among the D-8 Member States	82
Annex G : Statement by the Hon. Dato' Seri Abdullah Ahmad Badawi, Prime Minister of Malaysia	91
Annex H : Statement by H.E. Dr. Susilo Bambang Yudhoyono, President of the Republic of Indonesia	95

Annex I	: Statement by H.E. Mahmoud Ahmadinejad, President of the Islamic Republic of Iran	98
Annex J	: Statement by H.E. Syed Yousuf Raza Gilani, Prime Minister of the Islamic Republic of Pakistan	101
Annex K	: Statement by H.E. Dr. Fakhruddin Ahmed, Chief Adviser to the Government of the People's Republic of Bangladesh	105
Annex L	: Statement by H.E.Ali Babacan, Minister of Foreign Affairs of the Republic of Turkey	109
Annex M	: Statement by H.E. Fayza Mohamed Aboul Naga, Minister for Economic Cooperation of the Arab Republic of Egypt (On behalf of the President of the Arab Republic of Egypt)	113
Annex N	: Statement by H.E. Engr. Raymond N. Okenwa, Permanent Secretary of the Ministry of Science and Technology of the Federal Republic of Nigeria	116
Annex O	: D-8 Business Forum, Hilton Hotel, 3 July 2008	117
Annex P	: The Presentation of the Report on the D-8 Business Forum to the D-8 Council of Ministers, 6 <sup>th</sup> July 2008, Kuala Lumpur	119
Annex Q	: Speech by H.E. Dato' Seri Utama Dr. Rais Yatim, Minister of Foreign Affairs of Malaysia, at the Launching of the International Media Centre (IMC) for the Sixth D-8 Summit, 5 July 2008, Hilton Hotel, Kuala Lumpur	123



## FOREWORD BY THE MINISTER OF FOREIGN AFFAIRS OF MALAYSIA



On 8 July this year, Malaysia played host to leaders of seven like-minded Islamic developing countries known as the D-8 in a Summit meeting in Kuala Lumpur. The meeting had provided an opportunity for the leaders to renew their resolution to strengthen economic cooperation among their countries for mutual benefit. The statements by D-8 leaders compiled in this book reflected their countries' conviction and high hopes for D-8. The fact that the grouping consists of only eight countries, makes it easier for it to achieve some fruitful results.

Going through this book will enable readers to understand about the D-8 grouping, what it has achieved and what it hopes to achieve. The D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation 2008-2018 adopted during the Summit is an important document that clearly sets the priorities and targets of D-8 in the current decade. The Kuala Lumpur Declaration underlines D-8's stance in a wide range of issues of importance to it such as global food and energy crisis, trade, environment, workers' rights, halal industry and Islamic banking and finance. Another landmark achievement of the Summit was the agreement by member countries to strengthen the Secretariat to enable it to function more effectively.

As the world is at the height of the food crisis, the leaders had a productive brainstorming on how D-8 could do its part in easing the effect of the crisis to member countries. As a result, a number of joint agriculture projects are now in the pipeline and Malaysia has been honoured to lead the way.

It is my fervent hope that Malaysia, during its two years of Chairmanship, would be able to lead the way in realising the decisions of the Summit and to lift D-8 to a higher ground in accordance with its noble objectives and aspirations.

DATO' SERI UTAMA DR. RAIS YATIM 20 August 2008



## MESSAGE FROM THE SECRETARY-GENERAL OF D-8



On 15 June 1997 the establishment of the Organisation for Economic Development (D-8) was declared by Heads of State/Government of Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey in Istanbul, Turkey.

Eleven years have gone by and records and statistics show that there has been remarkable progress in our economic as well as trade activities. Such lofty achievements required a well thought Roadmap to steer swiftly through international economic and financial turbulences.

It is under this assumption that a comprehensive and well-thought Roadmap was designed and submitted for approval by Heads of State/Government during the 6<sup>th</sup>Summit on 8 July 2008 in Kuala Lumpur, Malaysia. Malaysia, as the current Chaircountry for D-8 has extra burden on her shoulder to secure the implementation of all Agreements, as well as the Roadmap document.

Poverty alleviation will continue to play a central role in our Organisational activities for the whole population of D-8 community which is 14 percent of world's population. We believe that pursuing such objectives in D-8 runs parallel and is complementary to pronounced aims of United Nations better known as Millennium Development Goals.

In this regard, as we address our commitment in the 6<sup>th</sup> Summit in Kuala Lumpur, on 4-8 July 2008, I would like to call on all member states to redouble their efforts and sincerity to render their utmost support for the implementation of the noble objectives of D-8 for the coming years.

I am confident that through manifestation of our collective and individual commitments, the D-8 Organisation will become viable and effective and once our collective economic might is fully explored and implemented, we will be in a position to efficiently address many of our developmental preoccupations.

DR. DIPO ALAM 20 August 2008



## MESSAGE FROM THE SECRETARY-GENERAL OF THE MINISTRY OF FOREIGN AFFAIRS OF MALAYSIA



This special commemorative publication Report of the 6<sup>th</sup> Summit of D-8 is the outcome of the efforts by the Ministry of Foreign Affairs in organising the Summit. This book contains statements of D-8 leaders delivered at the Summit and other relevant Summit documents. It is hoped that this publication will provide an insight of D-8 and its future plans. It is aimed at benefiting not only officials dealing in D-8 matters but also others who are interested in the subject.

The theme of the 6<sup>th</sup> Summit, "Meeting Global Challenges Through Innovative Cooperation" is very relevant to the present time. The leaders had addressed these challenges during their discussions in Kuala Lumpur. The outcomes of those discussions are reflected in the various outcome documents: the D-8 Roadmap of Economic Cooperation in the Second Decade of Cooperation 2008-2018, the Kuala Lumpur Declaration, the Report of the 11<sup>th</sup> Session of D-8 Council of Ministers, the 25<sup>th</sup> Session of D-8 Commissioners, the D-8 Business Forum and the 10<sup>th</sup> Meeting of the High Level Trade Officials.

As Malaysia assumes its two-year chairmanship of D-8, we look forward to the active participation of member countries of D-8 in the activities that have been outlined in the D-8 Roadmap of Economic Cooperation in the Second Decade of Cooperation 2008-2018 and the Kuala Lumpur Declaration. The Ministry of Foreign Affairs of Malaysia

will work closely with our counterparts in the other D-8 countries to implement the various decisions of the leaders. The Ministry of Foreign Affairs appreciates the support and cooperation from the various ministries, government agencies and the private sector in Malaysia in implementing the related programmes and projects.

I would like to take this opportunity to express my heartfelt thanks to the delegates from all D-8 member countries, the D-8 Secretary-General Dr. Dipo Alam, the D-8 Secretariat officials, officials from the Ministry of Foreign Affairs and other relevant Malaysian ministries and agencies as well as others who have worked assiduously towards making the 6<sup>th</sup> D-8 Summit and its related meetings in Kuala Lumpur from 4 to 8 July 2008 a success.

I am confident that the D-8 can play an important role in enhancing economic cooperation among its member countries. We hope the Kuala Lumpur Summit would be a turning point of a new era in the D-8's second decade of existence.

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TAN SRI RASTAM MOHD ISA 20 August 2008



Prime Minister Dato' Seri Abdullah Ahmad Badawi poses for a group photograph with (from left) the Group of Eight Developing Islamic Countries (D-8) Commissioner who is also Permanent Secretary of Nigeria R.N. Okenwa, Foreign Minister of Turkey Ali Babacan, Pakistani Prime Minister Syed Yousuf Raza Gillani, Indonesian President Susilo Bambang Yudhoyono, Iranian President Dr Mahmoud Ahmadinejad, Chief Advisor to the Government of Bangladesh Dr Fakhruddin Ahmed, Minister of State for International Cooporation of Egypt Fayza Mohamed Aboul Naga and Secretary-General of D-8 Dipo Alam before the opening ceremony of the Sixth D-8 Summit.

The summit was held under the theme "Meeting Challenges Through Innovative Cooperation". Established in 1997, the D-8 comprising Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey aims to enhance cooperation in socio-economic ties and improve the member countries' position in the world economy.













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# WHAT IS D-8?

The Group of Eight Developing Countries or D-8 was established on 15 June 1997 in Istanbul, Turkey. It was the brainchild of H.E. Necmettin Erbakan, the then Prime Minister of Turkey, who wished to prove that Islamic countries are able to forge an effective economic cooperation. The member countries of D-8 are Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey.

D-8 was established with the objective to be the mechanism of cooperation in the economic sector through sharing of expertise in order to improve the position of member countries in the global economy. In line with current demand, the scope of cooperation has been expanded to create new opportunities in trade relations besides several other major sectors. It is also intended to enhance the participation of member states in the process of decision making at the international level.

D-8 is a global arrangement rather than a regional one, as the composition of its founding members reflects. The membership of D-8 is open to other developing countries subscribing to the goals, objectives and principles of the Group and sharing common bonds. D-8 is a forum with no adverse impact on bilateral and multilateral commitments of member countries emanating from their membership in international organisations.

The principal organs of D-8 are the Summit, the Council of Ministers and the Commission. The **Summit**, which is the supreme organ of D-8, comprises Heads of State/Government of member countries. It is convened every two years. The **Council of Ministers** comprises Ministers of Foreign Affairs of member countries. It is the political decision-making organ of D-8 and acts as a forum for thorough and comprehensive consideration of issues. The **Commission** is the executive organ of D-8. It is composed of senior officials appointed by their respective governments. Each Commissioner is responsible for national coordination in his/her respective country. The D-8 Secretariat is located in Istanbul and headed by the Secretary-General. Dr. Dipo Alam from Indonesia is the Secretary-General since February 2007.

Since the inaugural D-8 Summit in Istanbul in 1997, Malaysia has been tasked to coordinate activities in the finance, banking and privatisation sectors. Coordinating countries for other sectors are Bangladesh (rural development), Egypt (trade), Indonesia (human resource development), Iran (science and information technology), Nigeria (energy), Pakistan (agriculture) and Turkey (industry and health). All D-8 projects will be publicised so that it can also benefit non-member countries of D-8.

The host country of a Summit is appointed on rotational basis by alphabetical order of the country's name. The hosting country will be the Chairman of D-8 for two years. The Summits have been held in Istanbul (1997), Dhaka (1999), Cairo (2001), Tehran (2004), Bali (2006) and Kuala Lumpur (2008).

#### D-8 website: www.developing8.org

### **D-8 ACHIEVEMENTS TO DATE**

#### **D-8 Preferential Trade Agreement (PTA)**

The Agreement was signed during the 5<sup>th</sup> D-8 Summit in Bali in May 2006. It is aimed at increasing economic and trade activities between D-8 members through tariff concessions and the elimination of non-tariff barriers identified by member states on a mutual basis. Before the PTA could be enforced, Member States have to agree on the Rules of Origin protocol. So far, ten High Level Trade Officials (HLTO) meetings have been held to finalise the Rules of Origin. The 10<sup>th</sup> HLTO meeting in Kuala Lumpur on 3 July 2008 noted the reservations expressed by Bangladesh which requested for 30% local Value Addition under the LDC criteria and by Egypt on the issue of the percentage of Value Addition. The Operational Certification Procedures (OCP) and its appendix, incorporating views from all member countries, were adopted collectively.

Malaysia ratified the PTA on 20 July 2008. The other country that has ratified the PTA is Iran. The PTA shall enter into force after it is ratified by at least four member states.

#### Multilateral Agreement on Administrative Assistance in Custom Matters

This Agreement was signed during the Bali Summit with the objective of enhancing trade among D-8 nations. It covers the scope of information exchange, capacity building, administrative assistance, transit facilitation and customs data bank (CDB). It has yet to be implemented, as no member country has ratified it.

#### Agreement on Simplification of Visa Procedures for D-8 Businessmen

The purpose of the Agreement is to facilitate visa procedures for businessmen from D-8 member states with the ultimate aim of increasing intra-trade and economic activities. It was signed at the 3<sup>rd</sup> D-8 Summit in Cairo on 24 February 2001 by all D-8 member states except Malaysia. Malaysia signed the agreement at the 6<sup>th</sup> D-8 Summit in Kuala Lumpur on 8 July 2008. The Agreement has not entered into force, as it has been ratified only by Iran and Turkey. It needs ratification by at least four signatories before it could be enforced.

#### Memorandum of Understanding for the Establishment of D-8 Member States' Working Group for Cooperation in Civil Aviation

The Memorandum was initiated by Turkey in June 2007. Malaysia and Egypt have yet to sign in.

# **MALAYSIA AND D-8**

Since the establishment of D-8, Malaysia has played an active role in implementing assigned projects and paying its annual financial contribution for the operation of the Secretariat. Since 1999, Malaysia has organised a total of 16 activities for D-8, mainly related to banking, insurance, takaful and trade. In terms of annual financial contribution, Malaysia as well as other member countries contributed USD14,286 annually. From 2009, the contribution will be increased in order to strengthen the Secretariat based on an agreed formula. Malaysia's share will be 99,527 Euro or equivalent to 20.15 per cent of total annual contribution of 493,931 Euro.

Malaysia's trade with D-8 countries in 2007 amounted to RM54.614 billion, an increase of 18.5 per cent from RM46.09 billion in 2006. It is however, still a small fraction of Malaysia's total trade. Indonesia was Malaysia's top trading partner in D-8, with 71 percent of the total trade. Malaysia's main export items to D-8 countries are vegetable oil followed by petroleum and petroleum products. Malaysia imported a wide range of products from D-8 countries led by non-ferrous metal.

# THE 25<sup>th</sup> SESSION OF D-8 COMMISSION

The session was held on 4 and 5 July 2008 and chaired by H.E. Amb. Ibrahim Abdullah, D-8 Commissioner for Malaysia. Commissioners from all member countries attended the session. The report of the Session is attached as **Annex A**.

# THE II<sup>th</sup> SESSION OF THE D-8 COUNCIL OF MINISTERS

The session was held on 6 July 2008 and chaired by H.E. Dr. Rais Yatim, Minister of Foreign Affairs, Malaysia. It was attended by all Foreign Ministers of D-8 except for Egypt, Nigeria and Pakistan that sent representatives.

H.E. Dr. Hassan Wirajuda, Minister of Foreign Affairs of Indonesia, in his handing over address informed the Meeting of the achievements of D-8 under Indonesia's chairmanship. This includes the formulation of the D-8 Roadmap, which provides a firm foundation and an important guide for the work of D-8 in the second decade of cooperation. In addition, D-8 has managed to turn the Executive Director's Office to a Permanent Secretariat with the finalisation of the Statutory Document for that purpose. In February 2007, an Indonesian was appointed as the first Secretary-General of D-8.

H.E. Dr. Rais Yatim, Minister of Foreign Affairs of Malaysia as the new Chairman of the Council called upon D-8 to take stock of its progress and look forward to see what could be done for the future including ensuring that D-8 remains relevant. He added that D-8 should not duplicate programmes and activities of other organisations which member countries are in but complement them. D-8 must optimise the usage of its limited resources especially when the world is facing enormous economic challenges. H.E. Dr. Rais Yatim also stressed on getting the involvement of the private sector in D-8 activities while the Government provides the support mechanisms and expressed his pleasure that the issue of strengthening the Secretariat has been resolved.

The report of the Session including statements by the Ministers is attached as

#### Annex B.

# THE 6<sup>th</sup> SUMMIT OF D-8

The 6<sup>th</sup> Summit of Heads of State/Government of the Group of Developing Eight (6<sup>th</sup> D-8 Summit) took place at the Hilton Kuala Lumpur Hotel from 4 to 8 July 2008 with the theme "Meeting Global Challenges Through Innovative Cooperation". The Summit was preceded by the 11<sup>th</sup> Session of D-8 Council of Ministers and the 25<sup>th</sup> Session of Commissioners. This was to prepare for the smooth deliberation of the Summit. The Agenda of the Summit is attached as **Annex C**.

The Summit is a forum that enables D-8 leaders to meet once in two years and exchange ideas to determine the future path of D-8. As for Malaysia, the Summit provides an avenue for the Prime Minister and Minister of Foreign Affairs to meet their counterparts from other member countries to discuss not only on D-8, but also bilateral issues and current world affairs that are affecting D-8 member countries. The Kuala Lumpur Summit was significant because the following three important documents were approved and adopted by the leaders:

#### D-8 ROADMAP FOR ECONOMIC COOPERATION IN THE SECOND DECADE OF COOPERATION 2008-2018

The document outlines the scope of D-8 activities for a decade from 2008 to 2018. It will be the guideline for a vision and framework for enhancing cooperation, provide guidance and formulation for the implementation of D-8 programmes and projects, assist in mobilising resources from governmental and non-governmental quarters and broaden the support for the D-8 general community including the private sectors and the economic grouping's cooperation initiative. The Roadmap covers the following sectors: trade and trade facilitation, industry and industrial standard, small and medium enterprise, tourism, finance, transportation, telecommunication and information technology, science, technology and innovation, energy and mineral resources, agriculture and forestry. The Roadmap is attached as **Annex D**.

The objective and goals of D-8 set for the next decade are:

- by 2018, intra-trade will be at least 15-20 per cent of total global trade;
- trade facilitation, customs cooperation, capacity building, policy programmes and activities will include participation of the private sector; and
- enhance performance of working groups on industry, investment, agriculture, energy, tourism, transportation, banking and financial institution, infrastructure development, human resources development, science and technology, micro finance, migrant workers and remittances, small and medium enterprises and information and communication technology.

The Roadmap has provided for three phases of implementation:

- i. Phase I (2007-2008) a year for preparing the plan for the second decade of the cooperation.
- ii. Phase II (2008-2013) 5-year plan to focus on D-8 Preferential Trade Agreement (PTA) and Rules of Origin (RoO), Customs and Visa Agreement, implementation of working groups, industrial and business cooperation activities.
- iii. Phase III (2013-2018) target to achieve annual intra-trade of USD 517.5 billion or 15-20 per cent of projected D-8 global trade.

### **KUALA LUMPUR DECLARATION**

The 25-paragraph Declaration (**Annex E**) contains a wide range of issues of importance to D-8 member countries such as global food and energy crisis, trade, environment, workers' rights, Halal industry, Islamic banking and finance and D-8 Roadmap.

Among others, the Kuala Lumpur Declaration takes into consideration the adverse effects of the current global food and energy crisis. D-8 will enhance its effort to synchronise positions in various international fora and negotiations to ensure continued relevance of the D-8 and promote the interests of developing countries.

On the global food crisis, D-8 leaders agreed to deepen their cooperation in joint venture projects with the involvement of the private sector to boost food production. In this connection, the D-8 leaders noted the proposal for the establishment of a fertiliser plant, animal feed plant and a seed bank and the proposal by Bangladesh to create a D-8 Food Fund, and instructed the Commission to study the proposal.

With regard to the oil crisis, D-8 calls on the international community to urgently address the issue. D-8 will enhance collaboration in capacity building, technology transfer, exploration of new sources of supply and development of alternative fuels.

D-8 also welcomes the initiative of the private sector to explore the viability to venture into new areas of cooperation such as the Halal industry, biotechnology and renewable energy, as discussed in the D-8 Business Forum held in Kuala Lumpur on 3 July 2008.

D-8 leaders acknowledged the vast potential of the global Halal industry, the progress made by member countries in this area and the various efforts undertaken by Malaysia to develop Halal industry internationally.

In the area of Islamic banking and finance, besides calling for member countries to foster greater cooperation, D-8 leaders took note of the effort to develop the Malaysia International Islamic Financial Centre as a global Islamic finance hub.

#### RULES OF ORIGIN PROTOCOL OF THE D-8 PREFERENTIAL TRADE AGREEMENT

The D-8 Preferential Trade Agreement (PTA) was signed by all D-8 member countries during the  $5^{th}$  D-8 Summit in Bali, Indonesia in May 2006. Before the PTA can be enforced, Member States have to agree on the protocol of the Rules of Origin. Goods contained in the national schedules of concessions shall be eligible for preferential treatment if they satisfy the Rules of Origin which will be annexed to and form an integral part of the PTA.

So far, ten High LevelTrade Officials (HLTO) meetings have been held to finalise the Rules of Origin. The 10<sup>th</sup> HLTO Meeting in Kuala Lumpur on 3 July 2008 noted the reservations expressed by Bangladesh which requested for 30 per cent local value addition under the LDC criteria and by Egypt on the issue of the percentage of Value Addition. The Operational Certification Procedures (OCP) and its appendix, incorporating views from all member countries, were adopted collectively. The Rules of Origin protocol is attached as **Annex F**.

#### STATEMENTS BY D-8 HEADS OF STATE/ GOVERNMENT

Besides The Hon. Prime Minister of Malaysia, other Heads of State/ Government present were the President of Indonesia, the President of Iran, the Prime Minister of Pakistan and the Chief Adviser to the Government of Bangladesh. Meanwhile, Turkey was represented by its Foreign Minister, Egypt by State Minister for Economic Cooperation and Nigeria by Permanent Secretary of the Ministry of Science and Technology.

#### Opening Statement by The Hon. Prime Minister of Malaysia

The statement by The Hon. Prime Minister focused on the food crisis, the escalating world oil price and future direction of D-8.

The Hon. Prime Minister was of the opinion that the biggest challenge the world is currently facing is the shortage of food supply that causes the increase in the price of food. As a result, the poor in developing countries are facing grave hardship. According to him, the priority given by many countries to industrialisation in the past has resulted in the abandonment of the agricultural sector. The low level of investment in the agricultural sector has retarded the development and modernisation in the sector, lowered output level and consequently triggered the present food crisis.

The issue of escalating world oil price is another formidable challenge. Apart from causing the increase in food prices, high oil price threatens the global economic

well-being. Malaysia believes that major oil producers can play an important role in handling the issue of oil supply which directly relates to the price of oil. To increase oil production is a short-term solution; a long-term solution must be sought to stabilise the price of oil.

The Hon. Prime Minister also hopes that consensus is reached for suitable methods in producing alternative energy sources. The widespread conversion of arable land for bio-fuel production must be stopped as it will further deepen the global food scarcity and further drive up food prices. He stressed that the zeal for energy security must not come into direct conflict with the basic need for food production.

The Hon. Prime Minister stated that D-8 is at a crossroads. After a decade of its establishment with the primary objective of strengthening economic and trade relations, the achievements have been modest. D-8 needs to take stock of what it has achieved and what could have been achieved. In this connection, the Roadmap for Economic Cooperation in the Second Decade of Cooperation is very relevant to monitor achievements of D-8 in the future. Malaysia hopes that D-8 chooses projects that are doable, and in the present context, priority should be given to projects in the Halal industry and renewable energy. The full text of the statement is in **Annex G**.

#### Statement by H.E. Dr. Susilo Bambang Yudhoyono, President of the Republic of Indonesia

H.E. the President of Indonesia delivered his statement at the opening ceremony as out-going Chairman of D-8. He stated that D-8 must face the challenges that come with globalisation. Although globalisation spurs interaction and promises benefit to competitive economies, it also marginalised some developing economies. In this connection, he proposed that:

- D-8 member countries be more proactive and innovative in their programmes and activities; (Their total population of over 900 million people provides huge market and labour supply besides the countries possessing vast natural resources.)
- Private sector investment in member countries be enhanced; and
- The economic gap among D-8 member countries be reduced.

H.E. the President of Indonesia added that the more serious challenge of globalisation is the issue of food and energy supply. There is no easy way to face these challenges besides joint concerted efforts. The full text of the statement is in **Annex H.** 

#### Statement by H.E. Dr. Mahmoud Ahmadinejad, President of the Islamic Republic of Iran

In his statement, H.E. the President of Iran highlighted the injustices of the international system and indirectly criticisied the United States for causing most of the political,

economic and social problems in the world. He was of the opinion that common development of multilateral cooperation could solve these problems and challenges. He added that D-8 with its philosophy and objectives of establishment must play a more effective role to enhance the potential of member countries and to handle regional and international problems. In this regard, the true potential of D-8 member countries in all domains must be fully exploited.

Iran fully supported the D-8 Roadmap for Economic Cooperation and the role of the Secretariat and proposed the following to be implemented by D-8:

- The establishment of an investment body to collect funds for implementing joint projects in industry, agriculture and high technology;
- The establishment of an institution for cooperation in the energy sector to optimise the potential of member countries in the sector;
- Widening cooperation in the field of Islamic banking; and
- Using the technical and engineering services of each other on a reciprocal basis. A working group should be established to prepare an encyclopaedia of the potential and requirements of member countries and introducing a financial and legal mechanism towards this direction.

The full text of the statement is in **Annex I.** 

#### Statement by H.E. Syed Yousuf Raza Gilani, Prime Minister of the Islamic Republic of Pakistan

H.E. the Prime Minister of Pakistan stated that the progress achieved by D-8 in the last 11 years does not reflect the true potential of D-8. He called on member countries to transform challenges to opportunities that could benefit their people.

On the D-8 Roadmap for Economic Cooperation, he suggested priority to be given to projects that could increase D-8 intra-trade. Projects must have timelines and verifiable indicators for effective monitoring and evaluation. In this context, he hoped that all D-8 agreements with the aim of increasing trade would be implemented soon.

H.E. the Prime Minister of Pakistan also briefly explained the economic situation in his country and informed the gathering that there is wide opportunity for investment in the energy sector in Pakistan. The full text of the statement is in **Annex J**.

#### Statement by H.E. Dr. Fakhruddin Ahmed, Chief Adviser to the Government of Bangladesh

H.E. the Chief Adviser began his statement by praising the vibrancy of the Malaysian economy and described the second decade of cooperation of D-8 that begins in Malaysia as a good start for D-8.

The Bangladeshi leader outlined five points that should be the core of D-8 future cooperation:

- Cooperation in the energy sector to develop a capacity building programme to ensure sufficient energy supply in member countries and to develop an innovative financing mechanism to ensure continuous energy supply at affordable price;
- To establish D-8 Food Fund as a mechanism to enhance collective food security of D-8;
- To create D-8 Free Trade Area;
- To enhance cooperation to overcome the phenomenon of climate change and global warming; and
- To exploit the true potential of migration for development.

The full text of the statement is in **Annex K**.

#### Statement by H.E. Ali Babacan, Minister of Foreign Affairs of Turkey

H.E. Ali Babacan represented the Prime Minister of Turkey in the Summit. In his statement, he stated that D-8 must give emphasis to trade issues. He called on all member countries to speed up the ratification of all of the three D-8 Agreements to enable them to be enforced. The full text of the statement is in **Annex L**.

#### Statement by the President of the Arab Republic of Egypt, (delivered by H.E. Fayza Mohamed Aboul Naga, Minister for Economic Cooperation)

The President of Egypt pointed out that the economic crisis facing the world has social and environmental dimensions and will eventually have adverse effects on all countries especially the least developed. Egypt proposed for an international dialogue to be held among oil and food exporting and importing countries to solve the current problems. The Egyptian President also hoped that D-8 comes up with the best method of cooperation not only among themselves but also with the international community. The full text of the statement is in **Annex M**.

#### Statement by H.E. Raymond N. Okenwa, Permanent Secretary of the Ministry of Science and Technology, Federal Republic of Nigeria

The delegation of Nigeria was headed by the Permanent Secretary of the Ministry of Science and Technology. He reiterated in his statement Nigeria's commitment towards the objectives and principals of D-8 and hoped that the Kuala Lumpur Declaration will be the impetus for closer cooperation among member countries. The full text of the statement is in **Annex N**.

#### **RETREAT SESSION**

The retreat session of D-8 leaders on 8 July 2008 focused on the issue of global food crisis. D-8 leaders made several recommendations to overcome the global food crisis such as the availability of pesticides, crop insurance, micro-financing, R&D cooperation, advanced food preservation method, sharing of expertise etc.

The Hon. Prime Minister's initiatives which were discussed at the retreat are:

- The production and supply of good quality fertiliser;
- The production and supply of animal feed; and
- The creation of seed banks to supply high quality seeds.

Malaysia, through D-8, will strive for the implementation of the three projects. As the implementation requires the involvement of several authorities from different countries, it is only proper that the implementation is sanctioned by a Ministerial Meeting. In this relation, the D-8 Ministerial Meeting on Food Security is planned to be held in Kuala Lumpur before the end of 2008.



Prime Minister Dato' Seri Abdullah Ahmad Badawi chairs the retreat meeting of leaders of the Group of Eight Islamic Developing Countries (D-8) Summit on 8 July 2008 in Kuala Lumpur.

#### **D-8 BUSINESS FORUM**

The D-8 Business Forum was held in Kuala Lumpur on 3 July 2008 as a side event to the Summit. It was jointly organised by the Ministry of Foreign Affairs and the National Chamber of Commerce and Industry Malaysia (NCCIM) with the assistance of the relevant ministries and government agencies. The Forum focused on 3 sectors which are expected to be the new important areas of cooperation for D-8. Namely the halal industry, biotechnology and renewable energy. It was attended by 105 participants including 36 foreign participants. **Annexes O** and **P** are the Programme of D-8 Business Forum and the Report of the Forum respectively.

# THE LAUNCHING OF THE INTERNATIONAL MEDIA CENTRE

The International Media Centre (IMC) was located at Sultan Ballroom II of Hilton Hotel, Kuala Lumpur. A ceremony was held on Friday, 4<sup>th</sup> July 2008 to officiate the IMC. The Honourable Dato' Seri Utama Dr. Rais Yatim who launched the opening of the IMC delivered a speech to an audience of over 200 people. The speech is in **Annex Q**.



Dato' Seri Utama Dr. Rais Yatim delivering a speech at the launching of the IMC



Prime Minster Dato' Seri Abdullah Ahmad Badawi (centre) hosts a luncheon for the leaders and delegations to the Sixth Group of Eight Islamic Developing Countries (D-8) Summit in Kuala Lumpur.

# **ASSESSMENT OF THE SUMMIT OUTCOME**

Malaysia is honoured that it has fulfilled its responsibilities as a member of D-8 by hosting the 6<sup>th</sup> Summit of Heads of State/Government of D-8. It was well-organised and can be described as successful. The Summit has created the awareness among Malaysians about the very existence of D-8 and the important role played by Malaysia in this Grouping.

D-8 member countries have placed high hopes on Malaysia to lift D-8 to a higher level. The two-year chairmanship of D-8 provides the opportunity for Malaysia to achive this goal. D-8 provides another medium for Malaysia to voice out and carry out its initiatives at the international level. This is made easy with Malaysia being the Chairman. In particular, Malaysia hopes to lead in the implementation of agricultural projects to cushion the effects of the food crisis, such as the production of food, fertiliser, animal feed and the creation of seed banks. For the first time, a D-8 Ministerial Meeting on Food Security is planned to be held in Malaysia by the end of the year. On other areas, Malaysia will also assist member countries to further develop their Halal industry, biotechnology, alternative energy and Islamic banking and finance.

The Summit will be remembered by member countries for many more years to come for adopting the blueprint Roadmap that charts the future direction of D-8 for the next decade. Compared to the last decade where D-8 apparently lacked direction and goals, the Roadmap hopes to change the scenario. The Roadmap is complemented with the Kuala Lumpur Declaration that clearly states the position of D-8 in various international economic issues and its own economic aspirations. The Summit also saw two other documents drafted and refined within the last two years being adopted, namely the Statutory Document for the establishment of a Permanent Secretariat and the Protocol of the Rules of Origin for the D-8 Preferential Trade Agreement.

During the Summit, Malaysia acceded to the Agreement on Simplification of Visa Procedures for D-8 Businessmen after abstaining from signing it in 2001. This clearly demonstrates Malaysia's commitment and solidarity with D-8. Several leaders repeated the call for member countries to ratify the three Agreements in D-8's possession to enable them to be enforced.

The relations between the Prime Minister and Foreign Minister of Malaysia and their counterparts from D-8 member countries were strengthened when they met each other at the Summit. This will certainly bring positive effects to Malaysia's bilateral relations with these countries. Likewise the relations between and among D-8 member states will enjoy the privilege of close and special cooperation.

# **OUTSTANDING ISSUES OF D-8**

#### PERFORMANCE

The D-8 as a group has not been performing as expected despite having conducted numerous projects and activities since its establishment. In fact, some of the projects/ activities identified were not implemented and scheduled meetings had to be postponed due to lack of participation. Member countries recognised this lacklustre performance and as evident from the Special Session of the Commission in 2004 in Tehran, the problems facing the D-8 could be attributed to a large extent to the lack of interest and commitment of member countries. The other factor is related to the projects identified which failed to draw the interest of member countries and thus were not viable to pursue.

D-8 member countries are currently facing the food crisis, just like the rest of the world. In this regard, D-8 has a number of agricultural projects in the pipeline to alleviate the crisis. As member countries have common interests in this issue, it is hoped that the planned projects would garner the much-needed interest and cooperation from member countries to work together to realise them. If this can be realised, it would be in contrast to many previous projects that did not attract an all-round support due to non-interest by some member countries in the subject.

D-8 activities in the past were mostly in the form of capacity building and sharing of expertise. Previous attempts to embark in a number of joint projects have failed. Malaysia, as well as other member countries, concurred that it is high time for D-8 to try again to activate its private sector to embark on practical and feasible projects, even though not all member countries participated.

#### FINANCIAL SITUATION

Apart from D-8's performance in general, the D-8 Secretariat requires sufficient funds in order for it to function effectively. So far, the amount of annual financial contribution by member countries to the Secretariat is insufficient for it to function as a full-fledged Secretariat. All Secretariat activities were confined to its limited budget, including the number of personnel which is very small. In light of this, it is extremely important for member countries to pay up their dues to the Secretariat early and without fail.

The discussion on the proposal to strengthen the Secretariat began in 2007 and was finalised at the Summit. As a result, from I January 2009 the annual budget of the D-8 Secretariat will increase remarkably from USD114,288 to 493,931 Euro. The sharp increase is largely due to the payment of salaries of the three executive positions in the Secretariat – Secretary-General, Director and Economist – which will no longer be paid by the sending countries but by the Secretariat's own funds.

The new scale of annual financial contribution by member countries	to the D-8	
Secretariat effective I January 2009 based on mutually-agreed formula is as follows:		

COUNTRY	AMOUNT (IN EURO)	% OF TOTAL
Bangladesh	22,227	4.50
Egypt	49,393	10.00
Indonesia	57,444	11.63
Iran	80,116	16.22
Malaysia	99,527	20.15
Nigeria	32,106	6.50
Pakistan	37,045	7.50
Turkey	116,074	23.50
Total	493,931	100

# D-8 HEADS OF STATE/GOVERNMENT, FOREIGN MINISTERS AND COMMISSIONERS (AS OF THE 6<sup>th</sup> SUMMIT OF D-8, JULY 2008)

#### MALAYSIA

Prime Minister	H.E.Abdullah Ahmad Badawi
Foreign Minister	H.E. Dr. Rais Yatim
Commissioner	H.E.Amb. Ibrahim Abdullah

#### **PEOPLE'S REPUBLIC OF BANGLADESH**

Head of Caretaker Government	H.E. Fakhruddin Ahmed
Foreign Affairs Advisor	H.E. Dr. Iftekhar Ahmed Chowdhury
Commissioner	H.E. Dr. Hamidur Rashid

#### ARAB REPUBLIC OF EGYPT

President	H.E. Mohamed Hosni Mubarak
Foreign Minister	H.E.Ahmed Aboul Gheit
Commissioner	H.E.Amb. Ramzy Ezzeldin Ramzy

#### ISLAMIC REPUBLIC OF IRAN

President	H.E. Dr. Mahmoud Ahmadinejad
Foreign Minister	H.E. Manouchehr Mottaki
Commissioner	H.E.Amb. Dr. Hadi Soleimanpour

# REPUBLIC OF INDONESIAPresidentH.E. Dr. H. Susilo Bambang YudhoyonoForeign MinisterH.E. Dr. Hasan WirajudaCommissionerH.E.Amb. Rezlan Ishar Jenie

#### FEDERAL REPUBLIC OF NIGERIA

President	H.E. Umaru Musa Yar'adua
Foreign Minister	H.E. Ojo Maduekwe
Commissioner	H.E. Engr. R.N. Okenwa

REPUBLIC OF TURKEY	
Prime Minister	H.E. Recep Tayyip Erdogan
Foreign Minister	H.E.Ali Babacan
Commissioner	H.E.Amb. Selim Kuneralp

⁄ousuf Raza Gillani
Shah Mehmood Qureshi
Amjad Sial

D-8 SECRETARIAT	
Secretary-General	H.E. Dr. Dipo Alam



Heads of State/Government of D-8 member countries at the opening session of the Summit

# LIST OF D-8 ACTIVITIES BETWEEN THE 5<sup>th</sup> SUMMIT (BALI 2006) AND THE 6<sup>th</sup> SUMMIT (KUALA LUMPUR 2008)

١.	Seminar on Olive and Saffron Cultivation, 12-13 June 2006, Peshawar, Pakistan				
2.	3 <sup>rd</sup> Working Group Meeting on Energy, 6-7 July 2006, Bogor, Indonesia				
3.	Capacity Building Programme in Micro Finance, 6-12 November 2006, Jakarta, Indonesia				
4.	I <sup>st</sup> Expert Meeting on Environmental Questions Including Nature-Based Tourism, 13 November 2006, Ramsar, Iran				
5.	7 <sup>th</sup> Meeting of High Level Trade Officers (HLTO), 18-19 December 2006, Islamabad, Pakistan				
6.	Workshop on Data Collection, Classification and Management of SMEs, 12-13 March 2007, Islamabad, Pakistan				
7.	Capacity Building for D-8 Countries in the Field of Trade Dispute Settlement, 30 April – 2 May 2007, Jakarta, Indonesia				
8.	8 <sup>th</sup> Meeting of HLTO, 3-4 May 2007, Islamabad, Pakistan.				
9.	3 <sup>rd</sup> Working Group Meeting on Industrial Cooperation, 23-24 May 2007, Kuala Lumpur, Malaysia				
10.	Workshop on Emerging Threats and Opportunities of Globalisation for Rural Development, 24-28 June 2007, Comilla, Bangladesh				
11.	I <sup>st</sup> Meeting of Directors-General of Civil Aviation, 27-29 June 2007, Antalya, Turkey				
12.	2 <sup>nd</sup> Meeting of Directors-General of Civil Aviation, 8-10 Sept 2007, Isfahan, Iran				
13.	. Training Workshop for Preferential Trade Agreement (PTA) Rules of Origin, 29-30 November 2007, Kuala Lumpur, Malaysia				
14.	Workshop on Financial Infrastructure Development Among D-8 Countries, 26 November 2007				
15.	Workshop on Takaful and Retakaful, 28 November 2007, Cairo, Egypt				
16.	9 <sup>th</sup> Meeting of HLTO, 27-28 March 2008, Islamabad, Pakistan				
17.	Expert Meeting on the Documents of D-8 Roadmap and D-8 Permanent Secretariat, 31 March – I April 2008, Pangkal Pinang, Indonesia				
18.	2 <sup>nd</sup> Expert Meeting on Eco-Tourism Cooperation, 10-11 May 2008, Isfahan, Iran				
19.	I <sup>st</sup> D-8 Ministerial Meeting on Tourism, 12-15 May 2008, Tehran, Iran				
20.	4 <sup>th</sup> Working Group Meeting on Energy, I-2 June 2008, Cairo, Egypt				
21.	Roundtable Discussion on Care, Support and Treatment of HIV/AIDS, 3-4 June 2008, Bogor, Indonesia				
22.	10 <sup>th</sup> Meeting of HLTO, 3 July 2008, Kuala Lumpur, Malaysia				
23.	3 <sup>rd</sup> Meeting of Directors-General of Civil Aviation, 17-18 June 2008, Bali, Indonesia				

## TENTATIVE LIST OF D-8 ACTIVITIES DURING MALAYSIA'S CHAIRMANSHIP

	TENTATIVE DATE	MEETING	VENUE
١.	TBC 2008	Working Group Meeting on Science and Technology	Nigeria
2.	10-12 November 2008	4 <sup>th</sup> Meeting of D-8 Working Group on Industry	Bali, Indonesia
3.	TBC 2008	Meeting on Migrant Workers and Remittances (coordinated by Bangladesh)	Philippines
4.	16-17 December 2008	26 <sup>th</sup> D-8 Commissioners' Meeting	Istanbul
5.	End of 2008 or First Quarter 2009	I <sup>st</sup> D-8 Ministerial Meeting on Food Security	Malaysia
6.	TBC 2008	Expert Meeting on Automotive Industry	Iran
7.	TBC 2008	I <sup>st</sup> Experts Group Meeting on Organic Agriculture Development	Iran
8.	TBC 2008	International Tourism Investment Forum	Iran
9.	TBC 2009	I <sup>st</sup> Working Group Meeting on Mining and Minerals	Indonesia
10.	2008/2009	Working Group Meeting on Islamic Finance	Malaysia
11.	2008/2009	International Conference of Tour Operatiors	Iran
12.	June 2009	D-8 Business Forum (in conjunction with World Chambers of Commerce Conference)	Kuala Lumpur
13.	Mid 2009	12 <sup>th</sup> Council of Ministers Meeting	Malaysia
14.	2009	D-8 Satellite Meeting on HIV/AIDS	Indonesia
15.	2009	4 <sup>th</sup> Working Group on Civil Aviation and Directors-General Meeting	Malaysia
16.	2009	Working Group Meeting on Prevention, Care, Support and Treatment of HIV/ AIDS in D-8 Countries	Malaysia
17.	2009	II <sup>th</sup> Meeting of D-8 High Level Trade Officials (HLTO)	ТВС
18.	2009	I <sup>st</sup> Working Group Meeting on Tourism	ТВС
19.	2010	2 <sup>nd</sup> Working Group Meeting on Tourism	TBC

Note: I. Programmes will be added by member states at the 26<sup>th</sup> Commissioners Meeting, and after the 1<sup>st</sup> D-8 Ministerial Meeting on Food Security.

2. Programmes will also be added after the Working Group Meetings in 2008 and 2009.

\*TBC : To be confirmed

## LIST OF D-8 ACTIVITIES ORGANISED BY MALAYSIA FROM 1999 TO 2008

١.	International Workshop on Retakaful	30 May – I June 1999
2.	International Conference on Takaful	2 – 3 June 1999
3.	Seminar on Islamic Banking and Finance	2 – 4 June 1999
4.	Banking Course	13 – 25 September 1999
5.	Seminar on Trade Facilitation and Simplification	9 – 12 November 1999
6.	Finance Course on Malaysian Capital Market	9 – 13 October 2000
7.	Managing Privatisation Course	20 – 25 August 2001
8.	l <sup>st</sup> Expert Group Meeting on Customs Procedures – Trade Preferences – Elimination of Trade Barriers Within D-8	21 – 23 May 2002
9.	Insurance Supervision Course	23 – 24 September 2002
10.	Regulating for Solvency and Insolvency Course	25 – 26 September 2002
11.	Convention on Takaful for D-8 and OIC Member States	I – 2 November 2002
12.	Meeting of Supervisory and Regulatory Bodies of Insurance and Takaful	13 July 2004
13.	3 <sup>rd</sup> Meeting of Working Group on Industry	23 & 24 May 2007
14.	Specialised Workshop on Takaful and Retakaful	28 November 2007 (held in Cairo)
15.	Training Workshop for Preferential Trade Agreement (PTA) Rules of Origin	29-30 November 2007
16.	10 <sup>th</sup> Meeting of D-8 High Level Trade Officials (HLTO)	3 July 2008



## 25<sup>th</sup> SESSION OF D-8 COMMISSION 4 - 5 JULY 2008

## **REPORT OF THE SESSION**

The Government of Malaysia hosted the XXV Session of Developing Eight (D-8) Commission in Kuala Lumpur on 4-5 of July 2008. The meeting was attended by delegates from the People's Republic of Bangladesh, the Arab Republic of Egypt, the Republic of Indonesia, the Islamic Republic of Iran, Malaysia, the Federal Republic of Nigeria, the Islamic Republic of Pakistan and the Republic of Turkey. The list of commissioners is attached as **Annex I**.

#### I. Welcoming Remarks by the D-8 Commissioner of Malaysia

The Meeting was chaired by H.E. Ambassador Ibrahim Abdullah, the D-8 Commissioner of Malaysia. In his opening statement, he invited all the D-8 Commissioners to recall the primary objective behind the establishment of the D-8 that was to strengthen the economic agenda of member countries which could be emulated by other OIC countries. He also reiterated that all member countries should evaluate themselves how far they have achieved the objectives of the D-8. The text of his statement is in **Annex II**.

# 2. Handing Over the Chairmanship from the Republic of Indonesia to Malaysia

The outgoing chairman of D-8, H.E. Ambassador Rezlan Ishar Jenie in his handing over statement, highlighted the achievement of D-8 during the Chairmanship of Indonesia on the successful hosting of 31 events as well as the successful completion of the D-8 Roadmap for Economic and Social Cooperation in its second decade of Cooperation (2008 – 2018) which will serve as a guideline for D-8's future cooperation. However, he stated that the holding of some scheduled activities could not materialise due to lack of participants, conflicting schedules, and short notice. The text of his statement is in **Annex III**.

### 3. Adoption of the Draft Agenda

The Commission adopted its agenda, which is in Annex IV.

### 4. Statement by the D-8 Secretary-General

H.E. Dr. Dipo Alam, the D-8 Secretary-General reported the programmes and activities which have been undertaken by the Secretariat. The report made reference to the outcome of activities from the 5<sup>th</sup> Summit in 2006 in Bali, Indonesia, Ministerial Council Meeting in September 2006 in New York, the 22<sup>nd</sup>, 23<sup>rd</sup> and 24<sup>th</sup> Commission meetings, Working Groups and Capacity Building in various capitals; and the D-8 Federation of Chambers of Commerce Meetings. The text of his statement is in **Annex V**.

# 5. Consideration of the reports of the meetings that have been convened since the 24<sup>th</sup> Session of the D-8 Commission

The Commission considered and recommended the adoption of the reports of the following meetings/events to the Council of Ministers:

- Workshop on Financial Infrastructure Development Among D-8 Countries, Cairo, 26 November 2007
- Specialised Workshop on Takaful & Retakaful, Cairo, 28 November 2007
- 9<sup>th</sup> Session of High Level Trade Officials (HLTO), Islamabad, 27 -28 March 2008
- Expert Meeting on D-8 Roadmap and Statutory Documents for D-8 Permanent Secretariat, Pangkal Pinang, Indonesia, 31 March-1 April 2008
- I<sup>st</sup> Ministerial Meeting on Tourism, Tehran, Iran, 12-15 May, 2008
- 4<sup>th</sup> Working Group on Energy, Cairo, Egypt, 1-2 June 2008
- Roundtable Discussion on Care, Support and Treatment of HIV/AIDS, Bogor, 9 – 11 June 2008
- 3<sup>rd</sup> Meeting of D-8 Directors-General on Civil Aviation, Bali, 17-18 June 2008

## 6. Calendar of Events (cancelled, pending and future activities) Pending:

## • A Meeting to Initiate Cooperation Between D-8 Scientific Institutions, Research Institutes and Universities in March 2008 in Nigeria

The Commissioner of Nigeria informed the Commission that the meeting will be convened in October 2008. Actual dates will be circulated through the Secretariat.

# • A Meeting on Migrant Workers and Remittances in April 2008 in Bangladesh

The Commissioner of Bangladesh informed the Commission that the meeting will be convened in early November 2008 immediately after the Second Global Forum on Migration and Development.

• Fourth Meeting of D-8 Working Group on Industry in April 2008 in Indonesia

The Commissioner of Indonesia informed the Commission that the meeting will be convened either in the fourth week of August or first week of September 2008.

## • Meeting on Islamic Finance in 2008 in Malaysia

The representative of Malaysia informed the Commission that the dates for the meeting will be circulated through the Secretariat.

• **Experts Meeting on Automotive Industry in 2008 in Iran** The Commissioner of Iran proposed that the meeting may be held at the level of Ministers in charge of Industry.

## 7. Calendar of Events for 2008 - 2009

The Commissioner of Indonesia proposed the following activities:

- (i) D-8 Satellite Meeting on HIV/AIDS back to back with International Conference on AIDS in the Asia Pacific in Indonesia in 2009
- (ii) First Working Group on Mining and Minerals in Indonesia in 2009

The Commissioner of Iran proposed the following activities:

- (i) First Experts Group Meeting on Organic Agriculture in December 2008
- (ii) International Tourism Investment Forum in October 2008
- (iii) International Conference of Tour Operators in 2008/09

## 8. Consideration of the D-8 Chamber of Commerce Activities

The Secretary-General of the Federation of the D-8 Chambers of Commerce presented a report on the activities of the Federation and the outcome of the Business Forum held in Kuala Lumpur on 3 July 2008. He requested the support of the member countries for the activities of the Federation

# 9. Consideration and adoption of the Statutory Documents for the Future Status of the Secretariat

- The Commission discussed at length the draft statutory documents for the D-8 Secretariat i.e. Financial Regulations, Staff Regulations and Rules of Procedure and recommended them to the Council of Ministers for adoption. It recommended that the documents be effective from I January 2009.
- With regard to the Headquarters Agreement, the Commission instructed the Secretary-General to negotiate the Agreement with the host country (Turkey) and present the final draft to the Commission for its consideration and seeking authorisation to sign it.
- The Commission agreed to recommend to the Council of Ministers the adoption of the following scale of the assessment of the Member States to the Secretariat budget:

COUNTRY	AVERAGE
Bangladesh	4.50
Egypt	10.00
Indonesia	11.63
Iran	16.22
Malaysia	20.15
Nigeria	6.50
Pakistan	7.50
Turkey	23.50
Total	100.00

- The Secretariat shall submit to the Commission its draft budget for 2009 on the basis of the new scale of assessment.
- The Commission recommended that the Council may consider and take a decision on the appointment of the Secretary-General.

## 10. Consideration and Adoption of the Rules of Origin (RoO)

The representative from Malaysia (Ministry of International Trade and Industry) briefed the Meeting on the outcome of the Tenth D-8 High Level Trade Officials (HLTO) Meeting which took place on 3<sup>rd</sup> July 2008. The meeting adopted the report of the 10<sup>th</sup> HLTO Meeting by majority and noted the reservations expressed by Bangladesh and Egypt on the issue of the percentage of Value Addition. The Operational Certification Procedures (OCP) and its appendix, incorporating views from all Member Countries, were adopted collectively. Full report of the 10<sup>th</sup> Meeting of High Level Trade Officials of D-8 Countries is in **Annex VI**.

II. Consideration and Adoption of the D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation (2008-2018) The Commission recommended approval of the Roadmap by the Council of Ministers, which is in Annex C.

## 12. Consideration of the Draft Kuala Lumpur Declaration

The Commission recommended consideration of the draft Kuala Lumpur Declaration to the Council of Ministers for adoption by the Summit. The draft Declaration is in **Annex D**.

## 13. Consideration of the Draft Agendas of the Ministerial and Summit Meetings

The Commission considered and submitted to the Council the draft agendas for the Council and the Summit

14. Date and Venue of the 26<sup>th</sup> Session of the D-8 Commission and 12<sup>th</sup> Session of Council of Ministers

The date and venue for the above mentioned meetings will be circulated soon.

15. Consideration and Adoption of the Report of the 25<sup>th</sup> Session of the D-8 Commission

The Commission adopted its report by consensus.

### 16. Any Other Business

No matter was raised under this agenda item.

## 17. Closing

The Chairman made a closing statement thanking all delegates for their active participation in the deliberations of the Meeting leading to the successful conclusion of the Meeting.

The delegations expressed their profound appreciation to the Government of Malaysia for hosting the Meeting and the generous hospitality extended to them. They also thanked the Chairman for his able leadership and commended the skilful manner in which he conducted the Meeting.



At the 11th Session of D-8 Council of Ministers: From left are Raymond Nwobodo Okenwa (D-8 Commisioner of Nigeria), Dr. Iftekhar Ahmed Chowdhury (Foreign Affairs Adviser of Bangladesh), Masood Khalid (Additional Secretary of the Foreign Minister of Malaysia), Dr. N. Hassan Wirajuda (FM of Indonesia), Dato' Seri Utama Dr. Rais Yatim (FM of Malaysia), Dr. Manoucher Mottaki (FM of Iran), Ali Babacan (FM of Turkey), Osama El-Magdoub (Deputy Asst. Minister for Regional Geonomic Affairs, Egypt) and Dr. Dipo Alam (Secretary-General of D-8)

# LIST OF D-8 COMMISSIONERS

## **BANGLADESH**

### I. H.E. Dr. Hamidur Rashid

Director-General Multilateral Geonomic Affairs Ministry of Foreign Affairs

## **EGYPT**

## 2. H.E. Osama Elmagdoub

Assistant Minister for Regional Geonomic Cooperation Ministry of Foreign Affairs

## **INDONESIA**

## 3. **H.E. Rezlan Ishar Jenie** Director-General for Multilateral Affairs Department of Foreign Affairs

## <u>IRAN</u>

#### 4. **H.E. Hadi Soleimanpour** Director-General for Multilateral Affairs

Department of Foreign Affairs

## MALAYSIA

## 5. **H.E. Ibrahim Abdullah** Undersecretary of OIC Division Ministry of Foreign Affairs

## **NIGERIA**

## 6. H.E. Engr. R.N. Okenwa

D-8 Commissioner Permanent Secretary Ministry of Science and Technology

## **PAKISTAN**

## 7. **H.E. Amjad Hussein Sial** Director-General (Disarmament) Ministry of Foreign Affairs

## **TURKEY**

8. **H.E. Mr. Selim Kuneralp** Deputy Undersecretary Ministry of Foreign Affairs

## WELCOMING REMARKS BY H.E. AMBASSADOR IBRAHIM ABDULLAH D-8 Commissioner of Malaysia

It is my singular privilege and honour to extend to all Commissioners a very Malaysian welcome - "Selamat Datang" to the 25<sup>th</sup> Session of D-8 Commission preparatory to the 11<sup>th</sup> Session of the Council of Ministers and the 6th Session of the D-8 Summit which will be held on the 6<sup>th</sup> of July and 8<sup>th</sup> of July respectively. Allow me to also extend a special welcome to our new colleagues, the Commissioners of the People's Republic of Bangladesh and the Islamic Republic of Pakistan. Since they have just been appointed and are attending the Commission for the first time, I welcome them to Malaysia as well as to this fraternal gathering of D-8 Commissioners.

I wish to also bid a warm welcome to His Excellency Dipo Alam, Secretary-General of D-8, and all Distinguished Delegates. I sincerely hope that the meeting arrangements made would be satisfactory to enable all of us to have successful deliberations at this 25<sup>th</sup> Session of D-8 Commission as well as the subsequent meetings mentioned earlier.

I further wish to take this opportunity to record our appreciation to my Indonesian colleague for his tireless efforts to ensure that the D-8 remains a relevant and viable platform for our collaboration and mutual benefit. Token of appreciation goes to His Excellency the Secretary-General and his staff for their excellent work at the Secretariat and constant reminder of our obligations to the Group.

#### Colleagues,

#### Distinguished delegates,

Slightly more than a decade has lapsed since the First Summit was held in Istanbul in May 1997. If one were to recall, Developing Eight was established with the primary objective of being a catalyst to strengthen the economic agenda of the Muslim Ummah which could then be emulated by other brotherly countries of the OIC, to which we are all members of. But where are we since then? Have we been successful in achieving that objective? We need to critically look at what we have achieved thus far in order for us to move forward. We can no longer refrain from addressing this issue if we really want to make a dent or impact on our economy through our effort. We must find new ways of doing things. Let us seriously ponder over this and crack our minds. We need to be different from other organisations which we are members of in the way we organise activities and programmes so as not to duplicate them. Each of us are under tremendous constraints – financially and with regards to human resources. We have to optimise the mobilisation of our limited resources. This is the challenge facing us in our grouping and that needs to be urgently addressed.

It is with that in mind that Malaysia decided to host this session of the 6<sup>th</sup> D-8 Summit under the banner of "Meeting Global Challenges through Innovative Cooperation". We must embark on new and innovative approaches to further strengthen our economic ties.

#### Colleagues,

Distinguished delegates,

Over the last decade, D-8 has organised programmes and activities under the various working groups that were established. We need to re-visit those programmes and see how we can value add those programmes by translating them into bankable and mutually beneficial projects that can be undertaken by our private sectors. Let us have more private sector collaborations through joint-ventures or equity participation.

However, I acknowledge that not all is gloomy in D-8. We have to recognise that we have also made progress over the last decade. We have signed thus far three agreements, of which significantly is the Preferential Trade Agreement that was signed in Bali in 2005. I firmly believe that with the PTA in force, we should see greater intratrade among D-8 members.

Other than tariffs, we should also look at factors inhibiting trade between our countries. We should not allow the non-Tariff Barriers (NBT) to inhibit our trade potentials. The governments of D-8 have to play their role in creating a facilitating environment and the governments should put in place proper infrastructure with cooperation from the private sector.

In these challenging times, for our economies to even survive, focus should also be put on the importance of soft skills of human capital. Infrastructure provided by governments should be supplemented with quality human capital to optimise the use of the infrastructure. If people are equipped with soft skills, they will work smart, rather than work hard and waste resources.

I would also like to take this opportunity to raise an urgent issue that must be addressed by all member states to ensure the effective running of our grouping and ensure its continued relevance. The issue of mandatory contributions will directly reflect the commitment of member states of the D-8 and ascertain that the D-8 will be able to face the challenges of the future.

In short, I feel that the D-8 platform urgently needs an injection of a new breath of innovation and change. Each of us has our own strength and weaknesses. Each of us is unique in our own way, and each has the capacity and ability to contribute to other members of the D-8. Let us look forward to our future by devising new methods of approaches whilst utilising the unique attributes of D-8.

We have a long list of agenda items on our plate which we need to deliberate over these two days and also to finalise the documents for the adoption of the Council of Ministers and Summit. I reiterate my hope that, in the next two days, we can find agreement on what needs to be done, even if we do not have the final answers on the best way of doing it. I am confident, nevertheless, that we will make headway in all the issues confronting us.

I look forward to a frank and fruitful discussion on the topics before us.

With that in mind, I have now the pleasure of inviting His Excellency Ambassador Rezlan, Commissioner of the Republic of Indonesia, the outgoing Chair, to deliver his statement.

Thank you.



Prime Minister Dato' Seri Abdullah Ahmad Badawi delivers his keynote address at the opening of the Sixth Summit of the Group of Eight Islamic Developing Countries (D-8) held under the theme "Meeting Challenges Through Innovative Cooperation" in Kuala Lumpur on 8 July 2008. D-8 member states comprise Bangladesh, Egypt, Indonesia, Iran, Malaysia, Pakistan, Nigeria and Turkey. Among leaders attending the summit include Pakistani Prime Minister Syed Yousuf Raza Gilani, Indonesian President Susilo Bambang Yudhoyono and Iranian President Dr Mahmoud Ahmadinejad.

## STATEMENT BY H.E. AMBASSADOR REZLAN ISHAR JENIE

**D-8** Commissioner of the Republic of Indonesia

## At the 25<sup>th</sup> Session of the D-8 Commission Kuala Lumpur, 4-5 July 2008

## AGENDA 2: HANDING OVER THE CHAIRMANSHIP FROM THE REPUBLIC OF INDONESIA TO MALAYSIA

Distinguished Commissioners and Delegates, Hon. Secretary-General of the D-8, Ladies and Gentlemen, Assalamu alaikum Wr.Wb., Good Morning,

It is indeed a great pleasure for me to be amongst such familiar faces in this important and pivotal event. I believe that our common and shared goals have brought us here today, to continue to advance the D-8 organisation.

Allow me to begin by providing a brief overview of activities under Indonesia's D-8 Chairmanship, which was assumed in May 2006. I am pleased to say that we have had quite a productive and fruitful past two years. In total, member countries have convened 31 D-8 activities and programmes, in areas such as trade, microfinance, Islamic insurance (takaful), energy, tourism, civil aviation and health. In the case of Indonesia, we have had the privilege of hosting 15 of such events, including the D-8 Summit in Bali, two sessions of D-8 Council of Ministers, five Sessions of the D-8 Commissions and D-8 Business Forum in Bali in 2006. At the working groups and experts' level, Indonesia has also hosted D-8 meetings on energy, microfinance, dispute settlement on international trade investment and intellectual property, treatment of HIV/AIDS and civil aviation. And last April, Indonesia also hosted the Expert Meeting on D-8 Roadmap and Statutory Documents for the D-8 Permanent Secretariat.

Moreover, while we together have continuously strived to intensify economic cooperation, which is the focus and goal of the D-8 establishment, we have also broadened the scope of our cooperation as shown by its many activities in other fields. This is a clear reflection of the steady evolution and development of D-8 cooperation.

I am heartened by the achievements that we have reached so far, yet there are still a number of challenges that we are still facing as an organisation, including lack of participation from the private sector and civil society. We have also encountered that some scheduled programmes in the calendar of events had been postponed due to lack of participants, conflicting schedule, and short notice problems. However, I am confident that if we maintain our current momentum these challenges are not insurmountable.

Mr. Chairman, Distinguished delegates, Ladies and Gentlemen,

As a result of our collaborative efforts, we have successfully completed a significant milestone which is the D-8 Roadmap.

The Roadmap for 2008-2018 will serve as the guideline for D-8 cooperation in its second decade of being, by clearly articulating our vision and mission, objectives and goals, guiding principles, work phases, and key programmes. In addition, we have also agreed on priority areas for future D-8 cooperation through consultations with our relevant government agencies. I am optimistic that this will lead to more focused cooperation and efficient implementation of activities leading to less administrative and logistical problems as in the past. Hence, it is my fervent hope that our leaders will duly endorse the Roadmap in the forthcoming Summit in order to continue to move forward our organisation.

I would also like to highlight that for the past two years we have witnessed the active and dynamic workings of the D-8 Secretariat, albeit it is still functioning on an adhoc basis. I am pleased to say that the D-8 Secretariat has performed very well and I commend the Secretary-General and his able staff for their invaluable contributions.

It goes without saying that an effective secretariat, which would support and facilitate our activities, is critical for the successful implementation of the D-8 Roadmap. Therefore, I hope that the good work as carried out by the Secretariat to date and awareness of the role of an effective secretariat will inspire a definite decision regarding the D-8 Permanent Secretariat.

Mr. Chairman, Distinguished delegates, Ladies and Gentlemen,

To conclude, let me take this opportunity to thank all member countries for the full support that had been rendered to us during Indonesia's chairmanship. My appreciation also goes to the Secretary-General and his able staff for the solid cooperation we have enjoyed so far.

I also would like to congratulate H.E. Mr. Ibrahim Abullah as the new Chairman of the D-8 Commission. I believe under his able stewardship we will be able to strengthen our cooperation.

Last but not least, I would like to express on behalf of the Indonesian Delegation, our sincere appreciation to the Government and people of Malaysia for the warm welcome and hospitality accorded to us since we have arrived here in Kuala Lumpur and also for the excellent arrangements for the 25<sup>th</sup> Session of D-8 Commission.

Now this is the time for me to hand over the Chairmanship of D-8 Commission to Your Excellency.As a symbol of the handover, we would like to present a compilation of activities/programmes convened under Indonesia's chairmanship to you, Mr. Chairman.

Thank you.



Prime Minister Dato' Seri Abdullah Ahmad Badawi (centre) speaks at the joint press conference after the conclusion of the Sixth Group of Eight Islamic Developing Countries (D-8) Summit. Among the leaders present are Iranian President Dr Mahmoud Ahmadinejad (fourth from left), Pakistani Prime Minister Syed Yousuf Raza Gillani (fourth from right) and Chief Advisor of Bangladesh Dr Fakhruddin Ahmed (third from left).

## AGENDA 25<sup>th</sup> SESSION OF D-8 COMMISSIONERS 4-5 July 2008

- I. Welcoming Remarks by the D-8 Commissioner of Malaysia
- 2. Handing Over the Chairmanship from the Republic of Indonesia to Malaysia
- 3. Adoption of the Draft Agenda
- 4. Statement by the D-8 Secretary-General
- 5. Consideration of the report of the meetings that have been convened since the 24<sup>th</sup> Session of D-8 Commissioners:
  - Workshop on Financial Infrastucture Development Among D-8 Countries, Cairo, 26 Nov 2007
  - Specialised Workshop on Takaful & Retakaful Cairo, 28 Nov 2007
  - 9<sup>th</sup> Session of High Level Trade Officials (HLTO), Islamabad, 27-28 March 2008
  - Expert Meeting on D-8 Roadmap and Statutory Documents for D-8 Permanent Secretariat, Pangkal Pinang, Indonesia, 31 March - 1 April 2008
  - I<sup>st</sup> Ministerial Meeting on Tourism, Tehran, Iran, 12-15 May 2008
  - 4<sup>th</sup> Working Group on Energy, Cairo, Egypt, 1-2 June 2008
  - Roundtable Discussion on Care, Support and Treatment of HIV/AIDS, Bogor, 9-11 June 2008
  - 3<sup>rd</sup> Meeting of D-8 Directors-General of Civil Aviation, Bali, 17-18 June 2008
- 6. Calendar of Events (cancelled, pending and future activities);

Pending:

- A Meeting to initiate cooperation between D-8 scientific institutions, research institutes and universities in March 2008 in Nigeria
- A Meeting on Migrant Workers and Remittances in April 2008 in Bangladesh
- Fourth Meeting of D-8 Working Group on Industry in April 2008 in Indonesia
- Meeting on Islamic Finance in 2008 in Malaysia; and
- Experts Meeting on Automotive Industry in 2008 in Iran
- Calendar of Events for 2008-2009 (The Commissioners are requested to propose any of the pending events or other activities to be held during this period).

- 8. Consideration of the D-8 Chamber of Commerce Activities
- 9. Consideration and Adoption of the Statutory Documents for the Future Status of The Secretariat
- 10. Consideration and Adoption of the Rules of Origin (RoO)
- Consideration and Adoption of the D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation (2008-2018)
- 12. Consideration of the Draft Kuala Lumpur Declaration
- 13. Consideration of the Draft Agendas of the Ministerial and Summit Meetings
- Date and Venue of the 26<sup>th</sup> Session of D-8 Commissioners and 12<sup>th</sup> Council of Ministers Meeting
- Consideration and Adoption of the Report of the 25<sup>th</sup> Session of D-8 Commissioners
- 16. Any other business
- 17. Closing



Foreign Minister Dato' Seri Utama Dr. Rais Yatim (second from right) with his counterparts from D-8 member countries

## STATEMENT BY H.E. DR. DIPO ALAM D-8 Secretary-General

## At the 25<sup>th</sup> Commissioners Meeting Kuala Lumpur, Malaysia, 4-5 July 2008

Excellencies D-8 Commissioners, Distinguished ladies and gentlemen, Assalamualaikum Warrahmatullahi Wabarakatuh, May the Almighty Allah bless all of you.

First of all, I would like to congratulate H.E. Ambassador Ibrahim Abdullah of Malaysia as our Chairman of D-8 Commission for the next two years. And at this opportunity I would also like to express my sincere thanks and high appreciation to H.E. Ambassador Rezlan Izhar Jenie for his consistent and productive leadership in chairing our Commission since 2006. Under his chairmanship, in the last two years, we have fruitful experience and achieved a lot of progress both in programmes, activities and institutional development of our cooperation and organisation.

It is a great pleasure for me to be here among you and it is a pleasure to see you all again. I would like to express my appreciation and thanks to the Government and people of Malaysia for a nice and well-prepared meeting that we are all attending today and tomorrow.



Secretary-General of the Group of Eight Islamic Developing Countries (D-8) Dr. Dipo Alam gives his statement before the signing of the Agreement on Simplification of Visa Procedures for the Grouping's Businessmen at the opening ceremony of the Sixth D-8 Summit. The signing ceremony was witnessed by leaders attending the two-day summit including Prime Minister Datuk Seri Abdullah Ahmad Badawi, Indonesian President Susilo Bambang Yudhoyono and Iranian President Dr Mahmoud Ahmadinejad. The agreement will enable the D8 businessmen to travel without hassle in efforts to enhance trade and commercial linkages.

I will report some progress of our organisation and its cooperation activities that have been implemented since the 5<sup>th</sup> Summit until today. But before the report, please allow me to introduce my colleagues and staff of the Secretariat. Some of you already had the opportunity to meet them before: Ambassador Kia Tabatabaee from Iran is our excellent Director with his mature diplomatic experiences; Ms. Esen Gonen, our

knowledgeable Economist from Turkey; and Mr. Nirwansyah our hard working staff at the Secretariat. As you note we are a small-staffed Secretariat but quite an efficient one in the discharge of our duties according to the following report.

My report will consist of two parts, that is, a review of the Outcome of Activities; and the Secretariat Report. The review of the outcome of activities describing various activities as suggested to be followed up in the recommendations and programmes of the Fifth Summit last May 2006 in Bali, Indonesia; Ministerial Council Meeting in September 2006 in New York, USA; the 22<sup>nd</sup>, 23<sup>rd</sup> and 24<sup>th</sup> Commission Meetings; Working Groups and Capacity Building in various capitals; and D-8 Federation of Chambers of Commerce Meetings.

The Secretariat report explains my working visits to different capitals for promoting cooperation among member states, meeting international dignitaries, and visits to chambers of commerce and trade fairs. This is an initial effort and modality to draw attention and interest from international organisations and the private sector to our cooperation. Some of these organisations have already participated in our activities, for example UNCTAD in two of our capacity building programmes on Rules of Origin (RoO) and Preferential Trade Agreement in Jakarta and Kuala Lumpur; the UN World Tourism Organisation has sent a delegate to join in our 1<sup>st</sup> Ministerial Tourism Meeting in Tehran, Iran; and the Islamic Development Bank delegate has also attended our recent Working Group on Energy Meeting in Cairo, Egypt. Some organisations such as IFAD, OFID, UNIDO, ITC, and OIC organs have shown their interest and cooperation and have been waiting for our proposals of technical cooperation to be submitted.

I will also explain certain activities by the Secretariat that would need your comments and suggestions on its status, preparation of a draft revision on the Function, Rules, Procedure and the Structure of the Secretariat that we all have discussed in the 24<sup>th</sup> Commission Meeting; as well as in the Expert Meeting on Roadmap and Statutory Documents in Bangka-Belitung, Pangkal Pinang, Indonesia earlier this year. Today, we will discuss it more comprehensively for its completion (details in the Attachment 3).

Finally yet importantly, I will explain some views of the Secretariat on the future of our cooperation and programmes given the interest shown by the private sector for participation, for example in energy and civil aviation sectors, as directed in our Roadmap 2008-2018.

The following are brief explanations of my report:

## I. Implementation of Programmes and Activities

The list of programmes and activities between 22<sup>nd</sup> and 25<sup>th</sup> Session of D-8 Commission are as follows:

1. Seminar on Olive and Saffron Cultivation (by Pakistan), held in Peshawar, Pakistan, 12-13 June 2006;

- 2. Third Working Group Meeting on Energy (by Indonesia), held in Bogor, Indonesia, 6-7 July 2006;
- 10<sup>th</sup> Session of D-8 Council of Ministers, held in New York 20 September 2006;
- 4. Capacity Building on Micro Financing (by Indonesia), held in Jakarta, Indonesia on 6-12 November 2006;
- 5. 22<sup>nd</sup> Session of D-8 Commission, held in Jakarta, Indonesia on 12-13 November 2006;
- 6. The First Meeting on Ecotourism, held in Tehran, Iran on 13 November 2006;
- 7. The 7<sup>th</sup> Meeting of the HLTO, held in Islamabad, Pakistan on 18-19 December 2006;
- 8. The Workshop on Data Collection, Classification and Management of SMEs, held in Islamabad, Pakistan on 12-13 March 2007;
- 9. The D-8 Capacity Building Programme on the Settlement of Disputes in International Trade, Investment and Intellectual Property and through Regional Mechanisms, held in Jakarta, Indonesia on 27-29 April 2007;
- The 8<sup>th</sup> Meeting of the HLTO, held in Islamabad, Pakistan on 3-4 May 2007;
- The 3<sup>rd</sup> Meeting of the Working Group on Industry, held in Kuala Lumpur, Malaysia on 22-23 May 2007;
- 12. 23<sup>rd</sup> Session of D-8 Commission, held in Jakarta on 28 29 May 2007;
- Workshop on Emerging Threats and Opportunities of Globalisation for Rural Development, held in Comilla, Bangladesh on 24-28 June 2007;
- The First Meeting of Directors-General of Civil Aviation, held in Antalya, Turkey on 27-29 June 2007;
- The Second Meeting of Directors-General of Civil Aviation, held in Isfahan, Iran on 8-10 September 2007;
- Workshop for Preferential Trade Agreement Rules of Origin, held in Kuala Lumpur, Malaysia on 29-30 October 2007;
- 24<sup>th</sup> Session of the D-8 Commission, held in Yogyakarta on 22-23 November 2007;
- Workshop on Financial Infrastructure Development Among the D-8 Countries, held in Cairo, Egypt on 26 November 2007;
- Third Seminar on the Regulations of Takaful, held in Cairo, Egypt, on 27-28 November 2007 (hosted by Malaysia);
- 20. 9<sup>th</sup> meeting of HLTO, held in Islamabad, Pakistan on 27-28 March 2008;

- Expert Meeting on Roadmap and Statutory Documents, held in Bangka & Belitung, Pangkal Pinang, Indonesia on 31 March – I April 2008;
- 22. I<sup>st</sup> D-8 Ministerial Meeting on Tourism held in Tehran, Iran on 12-15 May, 2008;
- 23. 4<sup>th</sup> D-8 Working Group on Energy, held in Cairo, Egypt, on 1-2 June 2008;
- 24. The Round Table Discussion on Care, Support and Treatment of HIV/AIDS in Developing Eight Countries, held in Bogor, Indonesia from 9-11 June 2008;
- 25. The 3<sup>rd</sup> D-8 Working Group on Civil Aviation and Directors-General Meeting, held in Bali, Indonesia on 17-18 June 2008;
- 26. 10<sup>th</sup> HLTO- will be held in Kuala Lumpur, Malaysia on 3 July 2008.

## **Programmes and Activities between 24<sup>th</sup> and 25<sup>th</sup> Session of** D-8 Commission

- 9<sup>th</sup> Session of High-Level Trade Officials (HLTO) was held in Islamabad on 27-28 March 2008 with a view to negotiate the Rules of Origin (RoO) of the Preferential Trade Agreement (PTA) signed at the 5<sup>th</sup> Summit in Bali in May 2006. The meeting was a key step for the finalisation of RoO since the delegates agreed on almost all articles.
- 2. Expert Meeting on D-8 Roadmap (2008-2018) and Statutory Documents for the D-8 Permanent Secretariat took place in Pangkal Pinang, Bangka-Belitung Province, Indonesia on 31 March-1 April 2008. The meeting completed discussion of the D-8 Roadmap, which is the guideline for D-8 cooperation in 2008-2018 and agreed on the revised draft text. It also agreed that the Roadmap will be adopted and declared in the 6<sup>th</sup> Summit.

With regard to the draft Statutory Documents for Permanent D-8 Secretariat, the Meeting agreed in principle with most contents of the Documents. Several delegations conveyed their views and suggestions on aspects of Documents.

- 3. I<sup>st</sup> D-8 Ministerial Meeting on Tourism was held in Tehran, Iran on May 12-15, 2008. During the meeting, based on the outcomes and substantive issues of the Ministerial Meeting, Tehran Declaration was prepared and adopted by the Ministers to be endorsed by the 6<sup>th</sup> Summit. In addition, Roadmap of Cooperation in Tourism for next ten years will be developed soon. The Secretariat expected that potential cooperation programmes and projects by involving private sector in tourism should be encouraged since tourism potential in D-8 countries is high and successfully implemented by companies.
- 4<sup>th</sup> D-8 Working Group on Energy was held on 1-2 June 2008 in Cairo. The meeting provided insightful views and discussion of the current energy situation from Member States. In general all Member States submitted papers

which were mainly discussing the present energy situation, highly shadowed by the current energy crisis caused by the increasing demand and the sky-rocketing prices of oil. The outcomes of this Working Group have been encouraging and have resulted in concrete cooperation projects, especially in renewable energy. Also a study centre to monitor and analyse the uncertainties of high oil prices also has been established. In addition, the establishment of D-8 Working Group on Mines and Mineral Resources has been accepted; Indonesia is ready to host the first meeting this year. A Roadmap of Cooperation for the next ten years in energy has been accepted by the Working Group and will focus on real cooperation projects involving private sector.

- 5. Round Table Discussion on Care, Support and Treatment of HIV/ AIDS in Developing Eight Countries was convened at Bogor, Indonesia on 9-11 June 2008. The meeting produced a final document in the form of three recommendations of action plans. Other recommendation plans are a setting up of a D-8 Distance Learning Centre on HIV/AIDS and finally to welcome the International Conference of AIDS in the Asia Pacific (ICAAP) IX in Bali, Indonesia in 2009. Roadmap of Cooperation within next ten years in the cooperation on care, support and treatment of HIV/AIDS will also be prepared soon involving government, NGOs, universities and private sectors as much as possible.
- 6. The 3<sup>rd</sup> D-8 Working Group on Civil Aviation and Directors-General Meeting was held in Bali, Indonesia on June 17-18, 2008. After extensive discussions and exchange of views, the Meeting agreed on a number of recommendations such as to activate the Task Forces as a follow-up of the Article 5 of the ToR of D-8 Working Group on Civil Aviation. It also concluded several Memoranda of Understanding (MoUs) among the companies to implement cooperation projects in Civil Aviation Industries, air transportation, airports development, maintenance, and rules and regulations cooperation and these were signed in the meeting to be followed up by both private sector and governmental cooperation.
- 7. **IO**<sup>th</sup> **HLTO** was held in Kuala Lumpur, Malaysia on July 3, 2008. The 10<sup>th</sup> Meeting of High Level Trade Officials was completed in Kuala Lumpur with a big success. I am glad to inform you that the text of the Rules of Origin and Operational Certificate Procedures as the Annexes of the D-8 PTA were adopted unanimously by all member states. Bangladesh and Egypt have made reservations with regard to the 40 per cent of local content which are 30 per cent and 50 per cent respectively. The majority of the member states agreed that they will join as soon as possible when they are ready to accept the 40 per cent local content. HLTO Meeting was also useful with a view to remove some ambiguities regarding the details of Offer Lists. Now we are waiting for the completion of ratification process by Member States. So far, Iran and Malaysia have ratified the PTA. As soon as two more member states ratify the PTA, it will enter into force which, I believe, would be a milestone for further development of D-8 intra-trade.

8. **D-8 Business Forum** was held in Kuala Lumpur, Malaysia on July 3, 2008. The Forum was held parallel with the 10<sup>th</sup> HLTO. It was opened with the statement from the Vice-President of National Chamber of Commerce and Industry Malaysia, D-8 Secretary-General, Secretary-General of D-8 Chamber of Commerce and the Secretary-General of Ministry of International Trade and Industry, Malaysia. The Meeting was attended by business personalities from D-8 and went on to discuss main topics of D-8 Business Forum for 2008, which are: biotechnology, Halal Industry and renewable energy. The meeting ended with a joint press conference session.

## **Secretariat Activities**

- 1. The newly arrived Economist, Ms. Z. Esen Gonen from Turkey began her work on 18 February, 2008. Since then she has prepared analytical and researched reports on different trade issues among member states as well as on international trade, economy, tourism, etc.
- 2. The Secretary-General called on Minister of Energy and Natural Resources of Turkey; Minister of Culture and Tourism in Ankara; Minister of Energy and Mineral Resources of Indonesia in Jakarta, and Minister of Petroleum of Egypt in Cairo.
- 3. The Secretary-General paid a visit to Mr. Omer Cihad Vardan, President of MUSîAD, Businessmen Association in Istanbul (with large members of small and medium enterprises in Turkey) and Mr. Mehmet Habbab, the Chairman of Turkish-Middle Eastern Countries Business Council to introduce and encourage these business associations interested to cooperate with the D-8 business society and doing more business in the near future.
- 4. The Secretary-General visited the Headquarters of ICDT in Casablanca, Morocco, in January 2008. The Secretary-General visited the Director-General of UNIDO, Mr. Kandeh Yumkella and Director-General of OPEC Fund for International Development (OFID) Mr. Suleiman Jasir Al-Herbish, in Vienna, Austria on 20-21 January, 2008 with an aim to discuss potential cooperation areas. He also met and discussed with the President of International Fund for Agricultural Development (IFAD) Mr. Lennart Bage in IFAD Headquarters, Rome, Italy on 23<sup>rd</sup> January 2008 on several issues of economic development related to efforts to reduce poverty. He also paid a visit to Francesco Frangialli, Secretary-General of UNWTO on 16 April, 2008 in Madrid, Spain.
- 5. Some internal administrative work has been conducted to upgrading the outdated computer equipment, updating Secretariat archives, introducing D-8 electronic documents into the Website, organising the function of the Secretariat as depository of D-8 agreements.
- The Secretary-General attended to the 9<sup>th</sup> Session of HLTO, Expert Meeting on Roadmap and Statutory Documents, 1<sup>st</sup> D-8 Ministerial Meeting on Tourism, 4<sup>th</sup> D-8 Working Group on Energy and 3<sup>rd</sup> DGCA Meeting. The Director attended

I<sup>st</sup> D-8 Ministerial Meeting on Tourism and the Economist attended 9<sup>th</sup> Session of HLTO and 1st D-8 Ministerial Meeting on Tourism.

- 7. In order to promote the image of D-8 Organisation as well as to strengthen the activities of Small and Medium Sized Enterprises, D-8 Secretariat attended the private sector forums such as: Istanbul Fair, Boat Show, Emitt-Istanbul and paid a visit to the Organised Industrial Zone (OSTIM), Ankara.
- 8. The D-8 Secretariat attended to the gatherings of non-governmental organisations like 11<sup>th</sup> Celebration of D-8 Organisation arranged by Economic and Social Research Center (ESAM), 140<sup>th</sup> Celebration of Turkish Red Crescent Society, Istanbul, Turkey, 2nd Muslim Excellency and Competitiveness Corporations' Award (MECCAWARD) Meeting, Kish Island, Iran, and Turkish Association of Health Tourism, Antalya, Turkey.
- 9. The D-8 Secretariat has constantly utilised D-8 website for its outgoing letters, Circulations, Reports etc. so that Member States are able to obtain the necessary documents in a timely and proper manner. We regularly remind and encourage Member States to log on to our website for retrieval as well as updating themselves on D-8 Activities.
- The D-8 Secretariat has initiated new fields of cooperation by calling on relevant State Officials of Member States like civil aviation, tourism, energy, remittances and megacities.
- 11. The D-8 Secretariat has initiated the use of international funds available within different organisations for the benefit of D-8 Organisations like IDB, OFID and IFAD. It also sent a proposal for financing facility offered by IFAD regarding remittances.
- By 27 June 2008 D-8 Secretariat had made 280 correspondences since January 2008 (during this year, the Secretariat has utilised "paperless system" for correspondences with Member States such as e-mails, otherwise the number of correspondences would have drastically increased).

## Secretariat Administrative issues

- 1. During the first half of 2008, D-8 Secretariat continued to encounter the budgetary constraints. Considering the contributions of Member States which have stayed constant (US \$ 14,000 per year) since Cairo Summit (2001), presently the Secretariat faces a budget constraint to an extent that by end of August 2008 the budget will be in negative territory (-US \$ 3,000). The present levels of contribution from Member States are only sufficient to run the Secretariat for eight months of a year.
- 2. The Secretariat could not have operated properly and made achievements with the current level of contributions, if the financial support of the Governments of Indonesia, Iran and Turkey were not put at its disposal, through appointments of professional staff to the Secretariat.

## Excellencies, distinguished ladies and gentlemen,

Before I conclude my speech and report, please allow me to express my expectation of our cooperation in the next two years that needs your attention and support:

- a. Two agreements namely, Easing Visa Agreement and Preferential Trade Agreements should be ratified as soon as possible. I urge you to kindly intervene with related agencies of your governments and the parliament to ratify these Agreements as soon as possible. Turkey and Iran have sent to the Secretariat the ratification of the Agreement and the Secretariat expects more countries to follow;
- b. Regarding the Customs Agreements, no one has ratified it so far. Noting that in many member states, Agreements need Parliamentary endorsements and because of its non-disputable contents, I propose to change its name; instead of "Agreement" maybe "Action Plan", to make it easier and quicker to implement;
- c. Having our Roadmap declered by the Summit, we need from time to time to improve it as well as prepare its action plan, programmes and projects. I need your direction and consistent support that all cooperation programmes and projects proposed by your countries refer to the objectives of the Roadmap. At least once a year we should have a meeting to review the implementation of the Roadmap;
- d. Secretariat already has called upon some international organisations that are willing to cooperate with D-8; we need financial support from you to hire professional consultants to introduce professional technical projects on mutual fields of interest;
- e. Since D-8 activities are involved with quite a number of private sector projects, we need to develop several task forces within each working group that specially monitor, evaluate and facilitate the potential cooperation. A business development manager is required to support the Secretariat to coordinate the task forces and follow up on the implementation of projects;
- f. It is expected that every working group meeting should invite related companies to join in as delegates resulting in potential cooperation projects outlined what are in the Roadmap and the action plan;
- g. On the unfortunate situation of the uncertainties and the increase of oil prices, which cannot be addressed by applying various fiscal and monetary policies, we believe that a concrete set of programmes and cooperation projects in renewable energy and programmes on energy related matters for reducing poverty should be prioritised. We expect the 25<sup>th</sup> Session of the Commission to report to the Council of Ministers and the Summit, that those countries which have wind-fall benefits, in the current situation, should also share the concern of our developing eight countries with 930 million people. On the renewable energy programmes and projects cannot be dependent and dictated by controversies and the interest of other third parties or countries with their associations which may discourage our cooperation;

- h. To face the problem of high food prices currently, cooperation on agricultural development should be revitalised, including fishery, animal husbandry, and organic products, into active working groups on agricultural development and creating some task forces for implementing some cooperation projects including involving the private sector;
- i. We should continuously encourage the cooperation projects of the private sector in energy, civil aviation and air transport, airport businesses, and related infrastructure development businesses, and also try to have similar active working groups on sea transportation and shipping business forum to support the increase in our intra-trade objectives;
- j. As mandated by our Head of States that D-8 activities should involve the private sector, now we have three institutions: (i) D-8 Business Forum that is programmed for every two years during the Summit; (ii) D-8 Chamber of Commerce which has a secretariat in Tehran, and coordinating several meetings for D-8 in every World of Chamber of Commerce meetings; and (iii) some working groups and their task forces that coordinate and lead cooperation with some companies in their fields. We need clearly to define their functions and roles and facilitate them to have good results for the benefit of our countries; and
- k. There are many trade, business and industrial fairs and conferences within D-8 countries. Wherever and whenever there is an opportunity, we need to encourage the private sectors of D-8 to take the opportunity on the forum on business cooperation. For example, in October 2008, MUSIAD of Turkey will hold an international exhibition of small and business enterprises in Istanbul and they have invited D-8 to join in, even providing D-8 a special booth and meeting room. This opportunity of cooperation should be participated by D-8. Therefore we expect chamber of commerce and/or fair organisers in your countries to inform us as early as possible, to allow the participation of D-8 on the fairs.

### Excellencies, distinguished ladies and gentlemen,

If you see some opportunities and challenges in our cooperation, it is very difficult for the Secretariat to be your partner to successfully coordinate and manage the activities and expectations as I mentioned before. Therefore in this great opportunity I need your support to consider the completion of the Statutory Document of the Secretariat. This is a basic document which will give a new form and status to the future Secretariat. Without adoption of this document we will not be able to have a full fledged Secretariat and thus will not be able to monitor the implementation of all activities.

I have started my address this morning by congratulating Malaysia's Chairmanship for the next two years. The Secretariat believes that together with all Commissioners, and with Malaysia's experience in international trade and tourism, D-8 will make advancement in our trade and other economic cooperation.

Thank you for your attention.

## REPORT OF THE TENTH MEETING OF HIGH LEVEL TRADE OFFICIALS OF D-8 COUNTRIES

## 3 July 2008 Kuala Lumpur, Malaysia

The Government of Malaysia hosted the Tenth Meeting of High Level Trade Officials (HLTO) of the D-8 Countries in Kuala Lumpur on 3 July 2008. Delegations from all Member States attended the meeting.

## ADDRESS BY SECRETARY-GENERAL OF D-8

2. H.E. Dr. Dipo Alam, the Secretary-General of D-8 expressed his confidence that this Meeting will be able to finalise the text of the Rules of Origin (RoO) of D-8 Preferential Trade Agreement (D-8 PTA) and its Operational Certification Procedures (OCP). His Excellency encouraged member states to accelerate the ratification of the D-8 PTA in order for the Agreement to enter into force. The enforcement of the D-8 PTA is a key step for further development of D-8 intratrade activities.

## **ELECTION OF CHAIRMAN**

3. Member states unanimously elected Mr. N. Vasudevan, Director, Ministry of International Trade and Industry, Malaysia as the Chairman of the Meeting.

## **OPENING REMARKS**

4. The Chairman welcomed the delegates to the 10<sup>th</sup> Meeting of HLTO. He urged member states to discuss and finalise the Text of the RoO for D-8 PTA and its OCP. The finalised text will be tabled at the D-8 Commissioners Meeting on 4 July 2008 for endorsement.

## **ADOPTION OF AGENDA**

5. The agenda of the meeting was adopted unanimously.

## **DISCUSSION**

### Text of the RoO for D-8 PTA

- 6. The text of the RoO for the D-8 PTA was adopted unanimously by member states taking into consideration views of all member states.
- 7. The Meeting noted the reservation by Bangladesh and Egypt on the issue of the percentage of local content. Bangladesh proposed 30 per cent local content

while Egypt registered reservations regarding the 40 per cent value addition, which was accepted by the majority. The Meeting agreed that their reservations be reflected in the report of the Meeting. Egypt and Bangladesh will join as soon as possible when they are ready to accept the 40 per cent local content.

## **Operational Certification Procedures**

- 8. As agreed in the Ninth Meeting of HLTO, the draft of OCP for the RoO is based on the TPS-OIC RoO. The OCP and its appendix, incorporating views from all member states, were adopted unanimously.
- 9. Turkey insisted on deleting the origin criteria information in Box 4 and the cumulation information in Box 6 in the D-8 CoO and application for the D-8 CoO, stating that such information will cause unnecessary burden on both government authorities and economic operators. However, majority of the members were of the view that Boxes 4 and 6 contain relevant information and agreed to retain the same.

## **OTHER MATTERS**

## **O**ffer list

 The Meeting requested the members who have not yet submitted their offer lists, to do so based on their national tariff schedule according to the HS 2007 version.

### Base year for tariff reduction

11. The Meeting requested the D-8 Secretariat to advise the contracting members regarding the time period for the base tariff for applying the tariff reduction modality agreed under Article 5 of the D-8 PTA.

## **ADJOURNMENT OF MEETING**

- 12. The next Meeting of HLTO will be held on a date and venue to be coordinated by the D-8 Secretariat.
- The D-8 Secretariat and all delegates thanked the Government of Malaysia for hosting this important 10<sup>th</sup> Meeting of HLTO.

## I I<sup>th</sup> SESSION OF D-8 COUNCIL OF MINISTERS 6 JULY 2008

## **REPORT OF THE SESSION**

The Government of Malaysia hosted the 11<sup>th</sup> Session of Developing Eight (D-8) Council of Ministers in Kuala Lumpur on 6 July 2008. The Meeting was attended by Ministers and representatives from the People's Republic of Bangladesh, the Arab Republic of Egypt, the Republic of Indonesia, Islamic Republic of Iran, Malaysia, the Federal Republic of Nigeria, the Islamic Republic of Pakistan and the Republic of Turkey. The list of Ministers and representatives is attached as **Annex I**.

## I. Welcoming statement by Minister of Foreign Affairs of Malaysia

The Meeting was chaired by H.E. Dr. Rais Yatim, Minister of Foreign Affairs of Malaysia. In his opening statement, he invited all the D-8 Council Ministers to take stock of D-8 progress and called for Member Countries to re-orient their focus on strengthening cooperation in ensuring the D-8 continue to be relevant in embracing the challenges of the current global economic development.

He emphasised that this could be done through greater involvement from the private sector. Member Countries are called upon to provide a more supportive mechanism in terms of providing hard and soft infrastructure, reducing barriers and encouraging matchmaking opportunities to facilitate greater economic cooperation. The text of his statement is in **Annex II**.

# 2. Statement by the Minister of Foreign Affairs of the Republic of Indonesia to hand over the Chairmanship

The outgoing chairman of the D-8 Council of Ministers, H.E. Dr. N. Hassan Wirajuda in his handing over statement, highlighted the achievements of D-8 during the Chairmanship of Indonesia. He highlighted that Indonesia had undertaken a new approach and had successfully acquired the participation of the private sectors as well as the civil society through the programmes and activities that have been conducted such as in trade, micro-finance, takaful, energy and health. He also commended Member Countries who had ratified the Preferential Trade Agreement (PTA) and urged Member Countries who had yet to ratify the PTA, Visa Agreement and Customs Agreement to ratify the Agreements as this would further facilitate trade cooperation between Member Countries. The text of his statement is in **Annex III**.



The Council of Ministers' Meeting in progress

### 3. Adoption of the Provisional Agenda

The Council adopted the agenda, which is in **Annex IV**.

### 4. Statement by the D-8 Secretary-General

H.E. Dr. Dipo Alam, the D-8 Secretary-General reported the programmes and activities which had been undertaken by the Secretariat. He highlighted that the Secretariat had successfully fulfilled the mandate to strengthen and widen its relationship with the private sectors as well as increasing the cooperation with the international organisations. The text of his statement is in **Annex V**.

# 5. Consideration and Adoption of the Report of the 25<sup>th</sup> Session of D-8 Commissioners

The Council considered and adopted the Report of the 25<sup>th</sup> Session of D-8 Commissioners.

6. Consideration and Adoption of the D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation (2008-2018) The Council considered and adopted the Roadmap for its submission to the Summit.

# 7. Consideration and Adoption of the Statutory Documents on D-8 Secretariat

The Council agreed to adopt the Statutory Document as well as revised scale of assessment as recommended by the Commission.

The Council also agreed to recommend to the Summit the following:

- The next Secretary-General will be appointed based on the principle of alphabetical rotation beginning with Indonesia effective I January 2009, as stipulated in Article 8.2 and 8.3 of the Statutory Documents; and
- II) The incumbent Secretary-General will be reappointed under the provisions of the draft Staff Regulations.

8. Consideration and Adoption of the Report of the 10<sup>th</sup> High Level Trade Officials of D-8 Countries (10<sup>th</sup> HLTO)

The Council adopted the report of the 10<sup>th</sup> HLTO Meeting by majority and noted the reservations expressed by Bangladesh which requested for 30 per cent local Value Addition under LDC criteria and Egypt on the issue of the percentage of Value Addition. The Operational Certification Procedures (OCP) and its appendix, incorporating views from all Member Countries, were adopted collectively.

9. Consideration of the Provisional Agenda and Programme of Work of the Sixth Summit

The Council considered and agreed to submit the Provisional Agenda as in **Annex C** and Programme of Work to the Summit.

10. Consideration of the Draft Kuala Lumpur Declaration to be submitted to the Summit

The Council considered and submitted the draft Kuala Lumpur Declaration to the Summit as in **Annex E**.

## II. Report of D-8 Business Forum

The Council took note of the Report of D-8 Business Forum as in Annex P.

 Consideration of the Report of the 1<sup>st</sup> D-8 Ministerial Meeting on Tourism, Tehran, Iran, 12-15 May, 2008

The Council considered and submitted the Report of the 1<sup>st</sup> D-8 Ministerial Meeting on Tourism to the Summit.

13. Date and Venue of the 12<sup>th</sup> Session of D-8 Council of Ministers

The Council deliberated on the issue and agreed that the Council should not convene at the sideline of major meetings such as the UNGA as previously practised. The Council agreed that the 12<sup>th</sup> Session of D-8 Council of Ministers will be convened a year from now in Kuala Lumpur. The date and venue for the 12<sup>th</sup> Council of Ministers will be communicated through the Secretariat.

14. Considerations and Adoption of the Report of the II<sup>th</sup> Session of Council of D-8 Ministers

The Council adopted its report by consensus.

#### 15. Any other business

The Meeting did not discuss any matter under this agenda item.

#### 16. Closure of the Meeting

The Chairman made a closing statement and thanked all delegates for their active participation in the deliberations of the Meeting leading to the successful conclusion of the Meeting.

The Chairman highlighted that more than 10 years had lapsed since D-8 decided to come and work together towards strengthening the economic and trade relations. The Chairman indicated that all Member Countries should seriously endeavour to find new ways of doing things so as to further enhance collaboration. At the same time D-8 needs to look at ways to foster a closer government—private sector kind of cooperation. This will make D-8 different from other established international and regional organisations.

The delegations expressed their profound appreciation to the Government of Malaysia for the excellent arrangements in hosting the Meeting and the generous hospitality extended to them. They also thanked the Chairman for his wise leadership and commended the skilful manner in which he conducted the meeting that led to its successful conclusions.



Dato' Seri Utama Dr. Rais Yatim chairing the Council of Ministers' Meeting with Dr. Dipo Alam at his side

# LIST OF MINISTERS AND HEADS OF DELEGATION

- 1. **H.E. Dr. Rais Yatim** Minister of Foreign Affairs of Malaysia
- 2. **H.E. Dr. N. Hassan Wirajuda** Minister of Foreign Affairs of Indonesia
- 3. **H.E. Dr. Manouchehr Mottaki** Minister of Foreign Affairs of Iran
- 4. **H.E. Dr. Iftekhar Ahmed Chowdhury** Foreign Affairs Advisor of Bangladesh
- 5. **H.E. Ali Babacan** Minister of Foreign Affairs of Turkey
- Engr. Raymond Nwobodo Okenwa
   D-8 Commissioner/Permanent Secretary of the Federal
   Ministry of Science and Technology of Nigeria
- H.E. Masood Khalid Additional Secretary of the Ministry of Foreign Affairs of Pakistan
- 8. **H.E. Ambassador Osama El Magdoub** Deputy Assistant Minister for Regional Economic Affairs of Egypt

## STATEMENT BY H.E. DATO' SERI UTAMA DR. RAIS YATIM Minister of Foreign Affairs, Malaysia

Excellencies Ministers of D-8 Member States

His Excellency Mr. Dipo Alam Secretary-General of D-8

Excellencies, Ambassadors

Ladies and Gentlemen

On behalf of the Government and people of Malaysia, I bid you all welcome to Kuala Lumpur and to this 11<sup>th</sup> Session of the D-8 Council of Ministers. I am honoured by your presence here in Kuala Lumpur. I hope the arrangements have all been up to your expectations and I hope you will have an enjoyable stay over the next few days.

It is indeed opportune for me to thank and congratulate my colleague Dr. Hassan Wirajuda, Foreign Minister of Indonesia who has been our Chair for the past two years. In similar vein, we thank Mr. Dipo Alam, D-8 Secretary-General for his able steering and administration leading to this 11<sup>th</sup> Session. On their sterling contribution, allow me on behalf of all of us present here to offer our heartfelt appreciation.

The D-8 has now experienced more than a decade of its existence. We are now approaching and preparing for the Sixth Summit of our Heads of State and Government. I believe it is timely for us to look back and take stock of our progress and look forward to see what could be done for the future. I would note that intratrade figures amongst our countries have gradually increased over the years. However, we need to ascertain as to how much the strengthening of our trade cooperation is due to cooperation under the D-8 or to our bilateral arrangements. How relevant is this D-8 grouping in the current scenario of the current global economy? How do we ensure that the grouping remains relevant in the future? I believe these are some of the questions which we can explore together at this meeting, besides the issues and challenges now facing our countries individually and collectively.

I join my other colleagues in applauding the efforts of Indonesia in the past two years to ensure that the D-8 remains a relevant and viable platform for cooperation and mutual collaboration among our countries. Indonesia certainly has held a vibrant and active chairmanship. However, due to the emerging challenges faced by our countries and others globally, there is certainly a need for us to follow up those efforts with vigour and the spirit of innovativeness, dexterity and compassion. It is with that in mind that Malaysia has proposed that the theme of the 6th D-8 Summit be called "Meeting Global Challenges through Innovative Cooperation".

#### Fellow Ministers, Excellencies, Ladies and Gentlemen,

The D-8 is a unique group of countries. Thus, the modalities through which it operates should also be unique. The D-8 should not duplicate other international organisations which we are all members of. It need not undertake similar programmes and activities as those other organisations. It should adopt and execute programmes and activities that are complementary to others. All of us have limited resources and as such we must optimise such resources especially in these times when we are all facing enormous economic challenges amidst the global energy and food crisis. Our small group of eight countries has the ability and capacity to collaborate through new methods of approaches. Smallness in number, to me, is not a disadvantage. It could indeed be beneficial if we could take decisions and implement plans in a more comprehensive and expeditious manner. With that strength, we should be able to embark on new and innovative approaches to our economic cooperation which might be unsuited to other organisations.

Malaysia is of the view that the D-8 should re-orient its focus on strengthening cooperation. The private sectors of our member states need to be more deeply involved. The governments of D-8 can and should play their role in creating a facilitating environment for private sector cooperation to flourish. Many of our collaborative programmes can be executed by enhancing both infrastructure and human capital development through private-public sector partnerships.

#### Excellencies,

#### Ladies and Gentlemen,

Within the D-8 many things can be done. Governments can provide the support mechanism in terms of providing hard and soft infrastructure, reducing barriers and encouraging matchmaking opportunities. We must take full advantage of our unique resources and expertise. In the current global economic scenario, our private sector needs this support system provided by the government in order for them to seek new opportunities, whether within the D-8 or beyond.

We should take this opportunity to fully cooperate within our very own commonalities while benefiting from our differentials. Our common traits through Islam practised by the majority of our peoples can be exploited to the fullest potential in such areas as our cooperation in facing the spiralling energy and food prices, maximising trade and tourism, the halal industry and Islamic banking and finance.

## Excellencies, Ladies and Gentlemen,

I would also like to take this opportunity to raise an urgent issue that must be addressed by all member states to ensure the effective running of the Secretariat. The issue of mandatory contributions will directly reflect the commitment of member states of the D-8 and ascertain that the D-8 will be able to face the challenges of the future. I am pleased to note that the Commissioners have agreed to adopt the Statutory Documents on the D-8 Secretariat which indirectly resolves the issue of mandatory contributions of Member Countries. I hope that this will further enhance the capability of the Secretariat in implementing future programmes and activities, especially in light of the adoption of the Roadmap for our next decade.

Bearing in mind the fundamental principles of D-8, namely, Peace instead of Conflict; Dialogue instead of Confrontation; Cooperation instead of Exploitation; Justice instead of Double-Standards; Equality instead of Discrimination; and Democracy instead of Oppression. May I propose that the coordination and secretariat functions of our grouping be handled by the country chairing the Summit, in this case, Malaysia, as this methodology has proven its effectiveness, akin to the system adopted by the Non-Alignment Movement (NAM). However, it is up to the member states to arrive at a consensual decision on this matter.

In short, I feel that the D-8 platform urgently needs an injection of a new breath of innovation and change. Each of our countries has its potential. Each of us is unique in our own way. Each has the capacity and ability to contribute to other members of the D-8. Let us collectively endeavour to harness all that to arrive at a meaningful and justifiable outcome not only to this meeting of ours, but also the forthcoming Summit as well as the future of the D-8 cooperation. Let us then look forward to a more productive future by devising new methods and approaches whilst utilising the unique attributes of D-8. Ladies and gentlemen, I am confident that we will have a fruitful meeting.

Thank you.

# STATEMENT BY H.E. DR. N. HASSAN WIRAJUDA

Minister of Foreign Affairs, Republic of Indonesia

# HANDING OVER THE D-8 CHAIRMANSHIP

Excellency Mr. Chairman, Excellencies, The Secretary-General of the D-8, Distinguished Delegates, Ladies and Gentlemen,

Assalammualaikum Warrahmatullahi Wabarakatuh

I wish to express our sincere gratitude and appreciation to Your Excellency and to the Government and people of Malaysia for hosting this meeting and for the gracious hospitality extended to my delegation and me since our arrival here in Kuala Lumpur.

We also thank the Secretary-General of D-8, Dr. Dipo Alam and his able staff for their unremitting support and for the full cooperation they extended to us during Indonesia's chairmanship.

#### Excellencies,

When Indonesia assumed the chair of D-8 at the Bali Summit two years ago, we were fully aware that the challenges ahead of us are formidable, especially at a time when D-8 was just about to complete the first decade of its existence in which it has implemented the cooperation effectively and achieved results. Given the vast potential of our Group, we were called upon to optimise our capabilities and find ways to seize the tremendous opportunities of our time.

Since then, Indonesia has done all that it can to promote our cooperation by working in concert with all members in translating our vision and ideas into concrete programmes and activities that benefit our peoples.

As the out-going Chair of the D-8 Council of Foreign Ministers, I am pleased to brief this meeting on the progress of D-8 activities since the Bali Summit. During that period, we implemented 31 programmes and activities, of which 15 activities were hosted by Indonesia, including two Sessions of the D-8 Council of Ministers in Bali and New York. The programmes carried out cover areas of trade, microfinance, takaful, energy, tourism, civil aviation and health. One of our major achievements during the period was the formulation of the text of Roadmap 2008-2018, in which we formulated our vision and mission, our goals and objectives, our guiding principles, our phasing and our key programmes. Thus the work of our Group will be well-guided during the second decade of our cooperation.

I fervently hope that the Summit, following our meeting, will be able to endorse the Roadmap and thus lay a firm foundation for the work of our Group.

The period also saw the initiation of the first draft of the Statutory Document and substantive discussions on important aspects towards the establishment of a permanent D-8 Secretariat. We have also injected new dynamics and relevance to D-8 cooperation through the strengthening of private sectors' involvement, and the first convening of civil society-led activity on HIV/AIDS, within the framework of D-8, in Bogor. In addition, we could take note that many of those activities conducted during the period had laid the foundation for more meaningful activities and enhanced cooperation in important areas.

The Roadmap will be more effective with a robust secretariat. Here, I would like to recall that we at the Bali Summit have agreed on an interim secretariat. I am heartened to know that the comprehensive discussion on Permanent D-8 Secretariat initiated in Indonesia is now nearing fruition, if we can decide to adopt the Statutory Document.

After the Bali Summit for the first time we have a D-8 Secretary-General, Dr. Dipo Alam, who has elevated the profile of D-8 and actively expanded the cooperation with other international organisations. We are humbled to allow Dr. Dipo Alam to meet those achievements. We commend the Secretary-General and other staff of the Secretariat for their dedication and pertinent contribution.

Because of the importance of a Permanent Secretariat to facilitate D-8 cooperation, I trust that our Commissioners have given priority in their deliberations to this issue. My delegation and I look forward to hearing the report of the Chairman of the D-8 Commission on this particular issue when we come to the relevant agenda item of our session.

I am also pleased to inform the Meeting that, after a long and intensive discussion, our High-level Trade Officials have completed the discussion on the Rules of Origin and Offer List of Products, two documents that are essential to the full implementation of the D-8 Preferential Trade Agreement.

My delegation and I commend our High-level Trade Officials for their hard work and congratulate them for this achievement. At the same time we urge member countries to ratify the D-8 Preferential Trade Agreement so that it could enter into force very soon.

We have faithfully met many of the commitments we made at the Bali Summit, although the visa agreement and the customs agreement, which are aimed at strengthening our intra-trade are yet to be ratified by some members.

Once again, let me thank all member countries, the Secretary-General and his staff for the full support and cooperation extended to Indonesia during our tenure as D-8 Chair.

I would now like to turn over the Chairmanship to Datuk Seri Utama Dr. Rais Yatim, the distinguished Foreign Minister of Malaysia, and congratulate him as the new chairman of D-8 Council of Ministers. I am confident that under his able leadership, this Council will have many more accomplishments.

Wassalammualaikum Warrahmatullahi Wabarakatuh

Thank you.

# AGENDA I I<sup>th</sup> SESSION OF D-8 COUNCIL OF MINISTERS 6 July 2008

- I. Welcoming statement by Minister of Foreign Affairs of Malaysia
- 2. Statement by the Minister of Foreign Affairs of the Republic of Indonesia to hand over the Chairmanship
- 3. Adoption of the Provisional Agenda
- 4. Statement by the D-8 Secretary-General
- 5. Consideration and Adoption of the Report of the 25<sup>th</sup> Session of D-8 Commissioners
- 6. Consideration and Adoption of the D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation (2008-2018)
- 7. Consideration and Adoption of the Statutory Documents on D-8 Secretariat
- 8. Consideration and Adoption of the Report of the 10<sup>th</sup> High Level Trade Officials of D-8 Countries (10th HLTO)
- 9. Consideration of the Provisional Agenda and Programme of Work of the Sixth Summit
- 10. Consideration of the Draft Kuala Lumpur Declaration to be submitted to the Summit
- II. Presentation of the Report of D-8 Business Forum
- Consideration and Adoption of the Report of the 1<sup>st</sup> Ministerial Meeting on Tourism, Tehran, Iran, 12-15 May 2008
- 13. Date and Venue of the 12<sup>th</sup> Session of D-8 Council of Ministers
- Considerations and Adoption of the Report of the 11<sup>th</sup> Session of Council of D-8 Ministers
- 15. Any other business
- 16. Closure of the Meeting

# STATEMENT BY H.E. DR. DIPO ALAM

#### **D-8 Secretary-General**

### 6 July 2008, Kuala Lumpur, Malaysia

Hon. Mr. Chairman, Dato' Seri Utama Dr. Rais Yatim, Minister of Foreign Affairs of Malaysia,

Excellencies Ministers, Excellencies Commissioners, Distinguished delegates, ladies and gentlemen,

First of all, on behalf of the Secretariat, I would like to congratulate H.E. Dr. Rais Yatim, our Chairman of D-8 Council of Ministers for the next two years. At this opportunity I would also express my special high appreciation and thanks to Indonesian Foreign Minister, H.E. Dr. Nur Hassan Wirajuda for chairing the Council since May 2006. Without strong commitment of him and his office and staff to support our activities at the Secretariat, we could not have achieved much at all.

Allow me to also thank the Malaysian Government for hosting our 6<sup>th</sup> Summit here in the beautiful city of Kuala Lumpur.

I have reported on D-8 activities in detail since the 5<sup>th</sup> Summit in Bali until now to the 25<sup>th</sup> Session of the Commission. If you allow me, I would like to only stress on some important achievements which we have gained and what we need to do to enhance our cooperation for the next two years.

#### Hon. Ministers, Excellencies, ladies and gentlemen,

From the beginning when I have been assigned by the Chairman of D-8, the Hon. President of Indonesia, Dr. Susilo Bambang Yudhoyono, to be the Secretary-General of D-8, my first priority was institutional development of D-8 organisation, by strengthening the role of the Secretariat. The Secretariat has been given recommendations and programmes to be followed up from the last Summit, Council of Ministers, and three Commissioners meetings, yet we try to initiate and lead those assignments for the good of our cooperation and organisation.

The Secretariat's functions and roles have been strengthened by increasing public relations of the organisation through the improvement of our organisation website, which up to now has been visited by thousands of viewers from more than 60 countries, and functions as an information source for member states and the public. Secondly, as mandated

by heads of states that D-8 needs to cooperate with international organisations, within one year, I, my Director and my Economist have visited capitals to introduce the existence and the willingness of cooperation with those agencies and organisations. Thirdly, as also mandated, the Secretariat widened its relationship with private sectors through their chambers of commerce, trade and industrial organisations and companies.

As for the results, some of the international organisations have already joined in and participated in our activities such as UNCTAD, UNWTO, and IDB. Others, including the private sector organisations, are awaiting our proposal of cooperation that matches with their programmes.

Excellencies Ministers, distinguished ladies and gentlemen,

Now allow me to express what the Secretariat expects of our cooperation in the next two years:

- 1. We need strong commitment to the implementation of all signed agreements, including those signed by D-8 companies, focusing on trade;
- 2. Strong commitment to the implementation of the first two years of D-8 Roadmap 2008-2018 and focus on some economic sectors that support the increase of intratrade, including services such as tourism;
- 3. Strong commitment of cooperation to face the uncertainties of high oil and food prices;
- 4. Support the implementation of some promising sectors that have been starting participated by private sectors in energy, tourism, civil aviation which are vital to the promotion as well as objectives of our organisation; and
- 5. Last but not least, commitment of contribution to the organisation. The inadequate budget of the Secretariat given to it by contributions of member states needs to be reviewed and rectified as a matter of priority.

Thank you for your attention. I wish you a very fruitful deliberation and a very successful outcome.

# AGENDA 6<sup>th</sup> SUMMIT OF D-8 8 July 2008 Kuala Lumpur

#### **Open Session**

- I. Welcoming statement by Prime Minister of Malaysia
- 2. Statement by the President of the Republic of Indonesia to hand over the D-8 Chairmanship
- 3. Statement by the Secretary-General of D-8

#### Closed Session

- 4. Adoption of the Provisional Agenda
- 5. General Statements by the Heads of State/Government
- Consideration and Adoption of the Report of the 11<sup>th</sup> Session of D-8 Council of Ministers
- 7. Consideration and Adoption of the D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation (2008-2018)
- 8. Endorsement of the Rules of Origin Protocol of D-8 Preferential Trade Agreement
- 9. Consideration and endsorsement of the Tehran Declaration on Tourism Cooperation
- 10. Retreat Meeting of Heads of State/Government

#### **Open Session**

- II. Consideration and adoption of the Kuala Lumpur Declaration
- 12. Closing Remarks

# ROADMAP OF DEVELOPING EIGHT COUNTRIES FOR ECONOMIC AND SOCIAL COOPERATION IN THE SECOND DECADE OF COOPERATION, 2008-2018

# INTRODUCTION

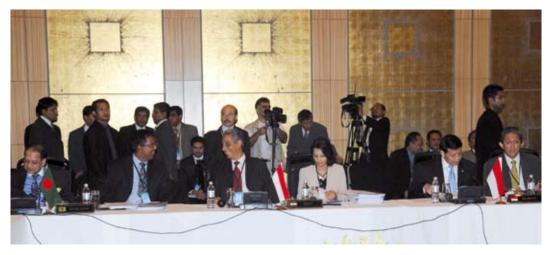
Developing Eight Countries for Economic Cooperation (D-8) currently consists of eight developing countries in Southeast Asia region: Indonesia and Malaysia; in West and Center of Asia region: Bangladesh, Pakistan and Iran; in Southeastern Europe region: Turkey; in Middle East region: Egypt; and West Africa region: Nigeria.

The D-8 countries are rich with natural resources and high population, characterised by economic potency, huge and beautiful geographical endowment for tourism, and close religious, historical and cultural ties of developing countries. 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 900 million people.

Recognising these potentials, the member countries of D-8, besides cooperation in D-8 organisation also have economic and trade cooperation within regional groupings and other international organisations.

The D-8 cooperation has been set by exploiting underlying complementarities and comparative and competitive advantages; enhancing the regions' competitiveness for investment and exports; promoting tourism; lowering transport and transaction costs; and reducing production and distribution costs through greater economies of scale. Since its establishment in 1997, D-8 has grown in both scope and activities, supported by the vigor and dynamism of the private sector, which built many partnerships and alliances. At the same time, people-to-people contact has increased, helping build trust and confidence and instill a feeling of community in the D-8 regions. There were also significant gains in trade, industry, investment, travel and tourism, as well as improvements in physical projects within the D-8 regions.

Continuing globalisation and recent trends in global and regional economic environment affecting trade and investment have also increased the strategic importance of well-designed economic grouping cooperation measures. Thus, during the 5th Summit of D-8 held in Bali in May 2006, the member governments reaffirmed their commitment to the D-8 and its continuing growth and development.



Delegates of Bangladesh, Egypt and Indonesia during the Council of Ministers' Meeting

In order to foster a pragmatic and results-oriented approach to cooperation, the 23rd Session of D-8 Commissioners in May 2007 in Jakarta, Indonesia, and also the 24th Session of D-8 Commissioners in Yogyakarta, Indonesia, in November 2007, agreed that the D-8 Roadmap should be formulated to guide cooperation in the next 10 years (2008-2018).

This D-8 Roadmap (2008-2018) has been accordingly prepared:

- to provide a vision and framework for enhancing cooperation among the D-8 countries, so that all D-8 instrumentalities are not only moving in the same direction, but also in a mutually reinforcing manner;
- to guide the formulation and ensure the implementation of D-8 programmes and projects through continuing improvement of mechanisms for effective implementation, coordination, monitoring and evaluation;
- (iii) to help in mobilising resources from various governmental and non-governmental quarters such as development agencies, potential investors and financial institutions for the implementation of D-8 programmes and projects; and
- (iv) to broaden the support of the D-8 general community, including the private sector, in the D-8 economic grouping cooperation initiative.

Along these lines, the D-8 Roadmap for 2008-2018 provides both a framework, as well as a plan of action, with specific milestones to facilitate monitoring and evaluation of progress, as well as to ensure that follow-up measures are pursued. Actual accomplishments in various programmes and projects will be matched against targets and planned actions in the course of implementing the Roadmap, and adjustments will be made as required by the circumstances. At the same time, mechanisms will be established to foster clearer lines of responsibilities in the implementation of D-8 programmes and projects.

For this Roadmap to successfully contribute to the achievement of the D-8 aspirations, sustained commitment and active cooperation from all stakeholders is imperative. We are confident that the shared vision, objectives, goals, action plans, programmes and projects of stakeholders in the D-8 economic grouping will go a long way in facilitating the realisation of the D-8's full potential and concomitantly, in improving the lives of its people.

# VISION

Recalling the relevant Declarations and Recommendations of D-8 Summits, Council of Ministers, and Commissions;

Recognising the importance of globalisation and its benefits as well as accompanying risks and challenges of marginalisation, destabilisation and increased inequality between developed and developing countries, and within countries;

Recognising that all aspects of globalisation, inter alia, fairness and justice in trade, reducing poverty and empowering micro, small, medium enterprises should be addressed to ensure that benefits of globalisation are shared by all;

Recognising that regionalism and groupings among countries have great potential as an engine of development and growth;

Believing that trade has always been a vital area of international economic activity and that an equitable global trading regime should take fully into account the special needs and conditions of developing countries through appropriate measures;

Considering the respective roles of the government and private sector as complementary in economic development process, whereby governments have a vital role to play in improving social conditions and opportunities, the vision of D-8:

"By the end of the Second-Decade of D-8 cooperation (2008-2018), the dynamism on the socio-economic cooperation of D-8 community would achieve a significant level of their economic development by the increase of intra-trade and social welfare."

# **OBJECTIVES & GOALS**

In order to achieve the vision, D-8 needs to underline and formulate new strategies, policies and measures to enhance effectively D-8 cooperation within the Second-Decade, 2008-2018, with joint efforts at overcoming basic problems of the countries and to achieve economic development 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.

The objectives and goals of D-8 cooperation in the next decade are:

(i) By the end of 2018, the intra-trade of D-8 countries would achieve at least 15-20 percent of their total trade in the world

- (ii) All trade facilitation, customs cooperation, capacity building, policies, programmes and activities of trade cooperation including the participation of the private sector are well-prepared and provided by D-8 High Level Trade Officials (HLTO)
- (iii) Establish and/or enhance the performance of the working groups on industry, investment, agriculture, energy, tourism, transportation, banking and financial institutions, infrastructure development, human resources development, science & technology, microfinance, migrant workers and remittances; small and medium enterprises, Information and Communication Technology (ICT) and other related issues

# **GUIDING PRINCIPLES**

In pursuing the vision and the goals, D-8 activities will consider the following guiding principles:

- (i) D-8 activities may consider and try to complement and reinforce related activities in economic groupings such as the OIC and other regional economic cooperation initiatives (ASEAN, SAARC, ECO, COMESA and ECOVVAS)
- (ii) The private sector should be the main engine of growth, with the government proactively promoting an enabling environment and providing supportive infrastructure
- (iii) Approaches should be viable, pragmatic and result-oriented; and in harmony with specific characteristics and interests of D-8 member countries
- (iv) Any meeting or event as well as projects and programmes shall be drawn up and implemented in line with D-8 core objectives, and within the framework of the Roadmap
- (v) Broad-based participation should be fostered; cross-sectoral linkages should be recognised and synergies should be maximised avoiding unnecessary duplication and inefficiencies; and continuity and sustainability of cooperation activities should be ensured

# PHASES

- 1. 2007-2008 (a year for preparing a plan for the Second Decade of cooperation) There are some modalities of D-8 cooperation that provide D-8 the opportunity to increase its intra-trade and economic development:
  - (i) Current intra-trade of D-8 is about US\$ 49 billion, however this represents only less than 5 percent of total trade of D-8
  - (ii) In 2008 D-8 total trade is estimated to be US\$ 1.2 trillion
  - (iii) Modalities that have been established and achieved within ten years of cooperation (1997-2007) are: Agreements to support D-8 intra-trade such as Preferential Trade Agreement (PTA) equipped with Protocol Rules

of Origin (RoO); Easing Visa Agreement; and Customs Agreement. Other cooperation is represented in some Working Groups (WGs), such as WG on Trade and Industry; WG on Agriculture; WG on Finances and Banking; WG on STI; WG on Tourism; WG on SMEs and Microfinance; WG on Energy; WG on Transportation; WG Investment; Business Forum, etc

- 2. 2008-2013 (First five years of the Second Decade of cooperation, 5-10 Percent Increase of D-8 Intra Trade):
  - (i) D-8 PTA and RoO, Customs and Visa agreements should be ratified as soon as possible, or latest by the end of 2008
  - (ii) D-8 Roadmap of the Second Decade of Cooperation (2008-2018) is to be endorsed by the Head of States in the Sixth Summit, in Malaysia
  - (iii) D-8 HLTO and all working groups, industrial and business cooperation activities, as well as capacity-building programmes, should be well implemented within the first five years of the Second Decade of cooperation, then in 2012; it is expected that D-8 intra-trade may achieve US\$ 171.5 billion, or 5-10 percent of total D-8 trade, US\$ 1.7 trillion
  - (iv) HLTO Meetings on the implementation of Customs Agreement as part of Trade Facilitation Programmes should be implemented soon
- 3. 2013-2018 (Second five years of the Second Decade of cooperation), 15-20 Percent of D-8 Intra Trade

Intra-trade of D-8 within the second-five years (2013-2018) of the Second Decade of cooperation would achieve US\$ 517.5 billion or 15-20 percent of D-8 total trade which is expected to be US\$ 2.5 trillion

# KEY PROGRAMMES WITHIN THE D-8 ROADMAP

# I. TRADE

#### Tariffs

Full implementation of D-8 Preferential Trade Agreement

#### **Non-Tariff Barriers**

Negotiation of an agreement on technical barriers to trade, sanitary and phytosanitary and import licensing including criteria to identify measures that are classified as non-tariff barriers to trade, establishment of D-8 Database of Non-Tariff Measures and a work programme for the removal of the barriers

#### **Trade in Services**

(i) To assign the HLTO to discuss the possibility of setting up targets and/ or schemes to enhance trade in services and explore the possibility of potential liberalisation among D-8 countries in this sector

- (ii) Member countries to specify which area of services could be subject to liberalisation
- (iii) Cooperation in areas of ship building, repairs and carriage of cargo among D-8 countries
- (iv) Establishment of a professional exchange mechanism to promote the use of D-8 professional services

#### **Intellectual Property Rights**

- (i) Achieving greater public awareness of IPR and IPR issues and capacity building
- (ii) Ensuring that all D-8 member countries achieve levels of IPR protection and enforcement consistent with international standards (on-going)
- (iii) Increasing the level of knowledge among a broader section of IPR professionals so that they may contribute to business growth and development

#### Rules of Origin (RoO)

Full implementation in good faith of the RoO protocol.

### **II. TRADE FACILITATION**

#### Customs

- Sharing of experience, close cooperation and mutual assistance among members' customs administrations to more effective control for optimising revenue collection, trade facilitation, community protection and national security
- (ii) Member countries to use their utmost efforts for full implementation of the existing international convention on customs cooperation

#### III. INVESTMENT

- Establishment of a working group on investment including the possible agenda on the protection of investment and coordination and exchange of information between the investment promotion agencies of D-8 countries
- (ii) Conduct annual strategic analysis and review to identify policy measures and actions in order to improve global competitiveness of D-8 members
- (iii) Publish and provide information pertaining to all investments-related measures undertaken to improve the investment environment both unilaterally and regionally
- (iv) Conduct research and 'commission investment barometer studies'

comparing the competitiveness and ease of investing in D-8 vis-à-vis other regions

- Organise annual discussions on key FDI issues such as regional integration, FDI development dimension for sustainable growth and to facilitate regional production networks intra-D-8 as well as with Dialogue Partners
- (vi) Organise investment seminars/workshops to strengthen D-8 institutional capacity on all investment related measures as and when required
- (vii) High-level dialogues, consultation and investment forum
- (viii) Information dissemination of investment opportunities available in member countries
- (ix) Strengthen FDI statistics data collection system

### IV. INDUSTRIAL COOPERATION AND STANDARDS

- (i) Undertake more promotional activities on industrial cooperation in D-8
- (ii) Exploration and exploitation of new areas of industrial cooperation
- (iii) Encourage and facilitate the private sector to participate in identifying the inherent strengths and weaknesses of each D-8 Member Country that others can complement and supplement

#### **Standards and Conformity**

- (i) Accelerate the development of sectoral mutual recognition arrangements for priority sectors, as appropriate
- (ii) Encouraging mutual recognition agreements on standards and conformity assessment between D-8 member countries

### V. SMALL AND MEDIUM-SIZED ENTERPRISES (SME)

- (i) Full implementation of the systematic programmes developed by the relevant working group to empower potential as well as existing entrepreneurs, and to improve SME access to credit and finance, modern technology, e-commerce and establish a network of existing SME support institutions in member countries
- (ii) Development of information systems and registers on SME capabilities and competitiveness for the promotion of enterprise clustering, inter-firm networking, subcontracting arrangements and information sharing
- (iii) Promotion of public-private sector synergies in the provision of business development services and infrastructure for SMEs
- (iv) Development of an environment of policies and regulations conducive to SME dynamism and competitiveness
- (v) Exchange of information on market opportunities and exhibitions to enhance the development of SMEs among D-8 countries

### **VI. TOURISM**

- (i) Development of D-8 region as a tourist destination by providing world class facilities
- (ii) Guiding the working group on tourism to work out a comprehensive action plan on the promotion of tourism in D-8 countries
- (iii) Encourage the private sector to engage in joint promotion and marketing of D-8 tourism activities
- (iv) Provide diverse D-8 tourist attractions by promoting a collective tourism package.
- (v) Organise D-8 tourism cooperation in international tourism fairs to continuously promote tourism in D-8 countries
- (vi) Set up criteria for D-8 Tourism Heritage site and procedures for a D-8 Heritage Award
- (vii) Provide incentives in the development of tourism infrastructure so as to encourage private investment to D-8 member countries
- (viii) Provide support for and facilitate implementation of tourism projects approved under the D-8 Pioneer Project Scheme
- (ix) Undertake a study to identify tourism areas in respective countries that can be attractive for investment and measures to be pursued to promote investment in tourism
- (x) Tourism quality and sustainable tourism development, souvenir packaging, etc
- (xi) Develop a list of tourism priority investment projects and undertake measures to promote investment opportunities
- (xii) Create a D-8 webpage to provide precise and timely information on tourism safety and security for public, private and media as well as foreign governments

### **VII. FINANCE COOPERATION**

- (i) Strengthen financial surveillance mechanism
- (ii) Enhancement of domestic financial system
- (iii) Develop and cooperate in the financial markets
- (iv) A regional network for capital market research and training
- Exchange of experience among D-8 countries on modalities of Islamic finance

### VIII. TRANSPORTATION

- Encourage shipping companies, ship owners, ship building and repair yards of member countries to enter into mutual agreements including joint venture arrangements in order to promote and develop maritime transportation
- (ii) Harmonisation and simplification of customs procedures and documentation for the facilitation of transportation of goods in transit
- (iii) Adoption of D-8 action plan for enhancing transport logistic services
- (iv) Enhancing maritime safety and security and protection of the marine environment by implementation of relevant International Maritime Organisation (IMO) instruments
- (v) Adoption of a regional policy framework for promoting and strengthening intra-D-8 shipping service
- (vi) Strengthening cooperation in civil aviation and air transportation with programmes and projects defined by the Working Group as established on the basis of the MoU

### IX. TELECOMMUNICATIONS AND IT

- (i) Enhance the D-8 Information Infrastructure through high speed connections among all national information infrastructures and promote interconnections among them
- Promote the security and integrity of D-8 information infrastructure through development of national computer emergency response teams and its capacity building programmes
- (iii) Develop convergence guidelines and best practices; create an integrated
   D-8 connect information portal with appropriate D-8 and local content
- (iv) Provide cooperation on wide range of government services and transactions on-line by usage of ICT applications to facilitate linkages between public, private sectors and civil and international organisations
- (v) Cooperation on telecommunications and IT policies and regulations that are consistent with international standards and norms
- (vi) Implement capacity building programmes to improve ICT literacy and professional ICT skills amongst others through use of distance learning technologies and to enhance the e-Readiness of D-8 member countries
- (vii) Develop common reference framework for e-Commerce and e-Government technical architectures, so as to ensure interoperability of information systems and networks and enhance cooperation to develop applications in free and open source software

## X. SCIENCE, TECHNOLOGY AND INNOVATION (STI)

To establish a D-8 working group on science, technology and innovation (STI) to develop programmes and projects to initiate and enhance cooperation, as needed by member countries and maintain a regular annual meeting to monitor and evaluate the programmes and projects including to coordinate meetings related in STI fairs within the member countries. The working group will consider the technical aspects inter alia of the following issues:

- (i) D-8 S&T indicators
- (ii) D-8 science and technology network
- (iii) Capacity building
- (iv) S&T public-private cooperation
- (v) D-8 Network of technology foresight practitioners
- (vi) Establishment of virtual institutions for development of education activities with regard to new technologies
- (vii) Promotion of cooperation on science and technology with the aim of institutionalising the subjects of cooperation through establishment of research centres of D-8 institute/university
- (viii) Establishment of science and technology network of the D-8 Group (D-8 net) for more cooperation among members
- (ix) Establishment of an independent nanotechnology network of the D-8 Group (D-8 NANONET) for more cooperation by consideration of the role of this technology in welfare and development of the member countries
- (x) Establishment of the D-8 techno-market in order to offer and introduce high production commodities of the member countries

### **XI. ENERGY AND MINERALS**

- (i) Establishment of a D-8 Energy Database
- (ii) Cooperation among members for exchanging experiences on optimal use of energy and new types of energy
- (iii) Increase the share of renewable energy in D-8 countries
- (iv) Enhancing joint research and development of renewable energy
- (v) Cooperation and activities related to international conferences, congresses, etc.
- (vi) To enhance the cooperation on programmes and projects as suggested by the Working Group on Energy
- (vii) To establish a working group on mining and minerals

## **XII. AGRICULTURE AND FORESTRY**

- (i) Conduct collaborative research to develop new/improved technologies in food, agriculture and forestry production, post-harvest and processing activities and sharing of research results and available technology
- (ii) Conduct Research and Development (R&D) in critical areas to reduce the cost of inputs for food, agriculture and forestry production
- (iii) Strengthen programmes in food, agriculture and agro-forestry technology transfer, training and extension to increase productivity
- (iv) Exchange of information and best practices on:
  - Strengthening technical cooperation in the field of organic agriculture and developing common policies towards accessing the current organic agriculture markets worldwide
  - Development of new/improved technologies in food, agriculture and forestry production, post-harvest and processing activities and sharing of research results and available technology
  - Strengthen agricultural data collection and management of D-8 Countries
  - Increase agricultural production of major crops to reduce importation bill
  - Accelerate irrigation development to reduce dependence on rainfed farming of D-8 Countries
  - Promote fisheries and livestock development
  - Plan strategy for production/ input services to eliminate current constraints of agricultural inputs (fertiliser, seeds and agro-chemicals) among D-8 Countries
  - Promote commercial agriculture among D-8 Countries
- (v) Exchange of experiences and information on producing, labeling and marketing halal food among D-8 countries
- (vi) Exchange of information on the impact of climate change on crop degradation
- (vii) Exchange of information and best practices on international quality standards and regulations for food, agriculture and forestry products
- (viii) Promote trade, investment and services incidental to agriculture and forestry to increase trade in agro-based and wood-based products in D-8 and D-8 Trade in these products with the rest of the world

### XIII. ENHANCE PRIVATE SECTOR INVOLVEMENT

- (i) Establish networking and strategic alliances with the private sector to promote investment and joint venture opportunities in D-8
- Establish and enhance participation of private sector in D-8 cooperation through active involvement of the chamber of commerce associations, regular organisation of Business Forum, and holding specialised exhibitions and coordinating meetings among chambers of commerce to develop potential programmes and projects etc.
- (iii) Expeditious implementation of the visa agreement in order to facilitate the movement of business community among D-8 countries
- (iv) Linking the Trade Net of member countries and exchange of information on business opportunities

### XIV. COOPERATION AND JOINT APPROACHES IN INTERNATIONAL AND REGIONAL ISSUES

- Strengthen D-8 cooperation and joint approaches in addressing issues and problems of common concern to D-8 countries in international and regional fora
- Seek closer cooperation and negotiate, through relevant D-8 bodies, with trading partners on market access for D-8 products as well as international finance organisations and NGOs

#### **Implementation Mechanisms and Arrangements**

The institutional arrangements for monitoring, coordinating, and implementing the Roadmap will be reviewed periodically and strengthened to ensure effective and timely implementation of priority D-8 programmes and projects. In this regard, the establishment of a necessary mechanism for monitoring and follow-up within the Secretariat is expected to help in tracking the progress and performance of the D-8 programmes and projects and in providing a system for identifying bottlenecks and conducting follow-up action. However, the establishment of such a mechanism will not be sufficient to ensure the effective delivery of priority D-8 programmes and projects, considering the geographical coverage of D-8, as well as the increasing number, variety, and complexity of cooperative programmes and projects. To be sure, the demands of coordination are already putting a strain on the limited capacities and resources for coordination of D-8 activities, both in the public and private sectors. Accordingly, the whole D-8 institutional structure, arrangements, and processes will be adjusted and streamlined over time subject to the approval of the relevant D-8 bodies.

#### Institutional Mechanisms and Structures

- (i) Council of Ministers (CoMs), to increase focus on strategic policy framework and directions
- (ii) Sessions of the Commission (SC) and D-8 Secretariat, to strengthen overall monitoring and coordinating role of the implementation of Action Plan; and to institutionalise participation and role in facilitating resolution of policy, regulatory and procedural issues, as well as in the planning and programming of public-private investments for the D-8
- (iii) Working Groups (WGs), to enhance priority setting and facilitating roles for implementing programmes and projects
- (iv) D-8 Chambers of Commerce (D-8 CC), to intensify advocacy role for policy and regulatory changes, as well as for other assistance needed by the private sector, and strengthen private sector participation
- (v) National focal points of WGs, to strengthen capacity for performing their coordinating and monitoring role at the national-level institutional arrangements conducting periodic high level public-private sector "policy dialogue"; organising separate high-level meetings among sectoral or "line" ministries (e.g. meetings of D-8 Transport Ministers, D-8 Trade and Industry Ministers) to strengthen sectoral or line ministry participation

#### Financing the Implementation of the Roadmap

The implementation of the Roadmap will require substantial financial resources. The challenge, therefore, is how to mobilise the requisite resources from all possible sources, especially the private sector, to support the development of D-8.

The D-8 governments will take the necessary steps to ensure that the respective national components of key D-8 programmes and projects will be given priority in their public investment and expenditure programmes. However, as the financial requirements for the development of D-8 far exceeds the resources available to the governments of the eight countries, there is a need to actively promote financing of priority D-8 programmes and projects from other sources, including the private sector from within and outside of the D-8; multilateral development institutions such as IDB, Islamic Development Bank, the Asian Development Bank and the World Bank and its affiliate, the International Finance Corporation (IFC); and bilateral development agencies.

Various financing mechanisms will be explored and developed in the course of implementing the Roadmap, considering in particular the financial products being offered by a number of development institutions such as IDB, World Bank and ADB. For instance, IDB provides several financial instruments, including foreign and local currency loans to national governments and sub-national.

# KUALA LUMPUR DECLARATION : MEETING GLOBAL CHALLENGES THROUGH INNOVATIVE COOPERATION

## THE 6<sup>th</sup> SUMMIT OF THE DEVELOPING EIGHT COUNTRIES KUALA LUMPUR, MALAYSIA 8 JULY 2008

We, the Heads of State/Government of 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 Republic of Turkey met in Kuala Lumpur, Malaysia on the 8th of July 2008 for the Sixth Summit of the Developing Eight (D-8). We reaffirm our commitment to continue pursuing the goals and objectives set out in the Declarations of Istanbul (1997), Dhaka (1999), Cairo (2001), Tehran (2004) and Bali (2006).

2. We reaffirm determination of the Member Countries to preserve and promote socio-economic cooperation, peace, solidarity, mutual respect and tolerance in all our endeavours keeping in mind imperatives of environmental protection.

3. We acknowledge that during the First Decade of D-8, the world has experienced one of its most exceptional periods in terms of pressing and legitimate development challenges faced by various nations. We consider this summit as a turning point in the history of D-8 cooperation while celebrating the 10-Year Anniversary of our organisation adopting the 10-year Roadmap and other basic documents to enhance cooperation and solidarity among ourselves.

4. Taking into account the adverse effects of the current global economic crisis, we agree to enhance our efforts to coordinate our positions in various international fora and negotiations through collective measures and enhance regional cooperation to ensure continued relevance of the D-8 and promote the interests of developing countries and redouble our efforts to meet global challenges through innovative cooperation.

5. We recognise that trade is a vital area of international activity and that an equitable global trading regime, while benefiting both developed and developing countries, should take fully into account the conditions of developing countries to ensure their economic wellbeing. Therefore, we emphasise the importance of a meaningful and fair conclusion of the negotiations of the Doha Development Agenda as soon as possible.

6. We recognise that international financial and trade system is an important component of international cooperation and should be fair, transparent and non discriminatory, taking into account the differences in the conditions of developing countries, particularly in ensuring equal access into the global economy and international economic organisations. In this context we reaffirm our full support of the speedy accession of the Islamic Republic of Iran into the WTO.

7. We note with great concern the urgent need to address the current global shortage and skyrocketing prices of food items which pose a serious threat to socioeconomic stability and agree to deepen our cooperation, including joint ventures and private sector involvement, to produce fertiliser, animal feed and the creation of a seed bank to ease the supply side constraints in agricultural inputs to boost food production in the short, medium and long term. We also take note of the proposal of Bangladesh for creating a D-8 Food Fund and instruct the Commission to examine it.

8. While acknowledging the vital role of energy to achieve sustainable development and growth, we note with concern the adverse effects of the spiralling oil price and call on the international community to urgently address this issue. We reaffirm our commitment to the on-going efforts in the energy sector, and emphasise the importance of collaborative efforts to enhance capacity building, transfer of technology, exploration of new sources of supply, development of alternative fuels, including renewable sources of energy, as well as peaceful uses of nuclear energy.

9. Recognising the adverse impacts of global warming and climate change on development, we reaffirm our commitment to enhance cooperation in climate change negotiations following the Bali Roadmap to support the adaptation efforts of the developing countries, especially those of the least developed and the low-lying coastal countries and uphold the principle of common but differentiated responsibilities in mitigation of the emission of greenhouse gases.

10. Taking into account that labour migration can be an effective tool for poverty eradication and development and that migration benefits both countries of origin and destination, we reiterate our resolve to enhance cooperation and to exchange experiences concerning protection and promotion of the rights of the migrant workers, both within the context of D-8 and in other regional and global processes, including in the Global Forum on Migration and Development.

11. We acknowledge the efforts of the private sector to strengthen collaboration in the global halal industry, biotechnology and renewable energy and the potentials of Islamic banking and finance. These sectors could further contribute to our future collaboration in trade and investment.

12. We note with satisfaction the significant growth in intra-D-8 trade from USD 14.5 billion in 1999 to USD 60.5 billion in 2007, representing an increase of more than 200 per cent over a period of 8 years. We firmly believe that the trade volume will further increase with the entry into force of the Preferential Trade Agreement (PTA).



Delegates of Iran, Malaysia and Nigeria during the Council of Ministers' Meeting

13. We acknowledge the potential of the global halal industry and the progress that D-8 countries have made in its promotion and development of the halal industry and pledge our full cooperation in the development of the halal sector in Member countries. We appreciate the contribution of Malaysia in developing common standards through Halal Development Corporation (HDC), International Halal Integrity Alliance (IHI Alliance), Malaysia International Halal Showcase (MIHAS) and the offer of Malaysia Technical Cooperation Programme (MTCP) Halal training programmes.

14. Recognising that Islamic Banking and Finance has an important role to play in trade and investment in D-8 countries, we acknowledge Malaysia's initiatives as well as those of others in developing Islamic Finance and call upon member countries to foster greater understanding and cooperation in this field. We take note of the efforts to develop the Malaysia International Islamic Financial Centre as a global hub and appreciate her generous allocation of RM 200 million under "Fund for Shariah Scholar in Islamic Finance" to foster talent development and enhance research capacity.

15. We welcome the outcome of the First D-8 Ministerial Meeting on Tourism and endorse the "Tehran Declaration on Tourism Cooperation 2008" and direct the Commission to take necessary measures for its implementation.

16. While welcoming the signing by Malaysia of the Agreement on Simplification of Visa Procedures for D-8 Businessmen, and its ratification by Bangladesh, Iran, Pakistan and Turkey, we look forward to its early entry into force.



Heads of State/Government of D-8 member countries at the press conference at the end of the Summit

17. We welcome the adoption of the Annex on the Rules of Origin to the Preferential Trade Agreement (PTA) by six member countries.

18. We endorse the Roadmap for Economic Cooperation in the Second Decade of Cooperation (2008 – 2018) as the vision to guide our activities in the next ten years and instruct the Commission as well as the Secretariat to translate the elements of the Roadmap into action plans in various fields of activities. We direct the Commission to prioritise areas of cooperation, with particular emphasis on the enhancing intra-D8 trade for promoting development. We also instruct the Commission to examine the initiative of Islamic Republic of Iran on the establishment of a Joint Investment Fund for supporting implementation of D-8 projects.

19. We endorse the Statutory Documents of the D-8 Secretariat and the Rules of Procedure to be effective from 1 January 2009.

20. We confer international legal status to the D-8 Secretariat based in Istanbul and welcome the intention of the Republic of Turkey to conclude a Headquarters Agreement with it.

21. We endorse the report of the 11th Session of the Council of Ministers.

22. While acknowledging the commendable work done by the D-8 Secretariat, we express our appreciation to the Governments of Indonesia, Iran and Turkey for providing and supporting the staff of the Secretariat under the present interim arrangement and to the Government of Turkey for providing the premises for the Secretariat.

23. We express our deep appreciation to the Government of Malaysia for hosting the Sixth D-8 Summit and for extending to us warm and gracious hospitality.

24. While expressing our deep appreciation to His Excellency the President of the Republic of Indonesia and his Government for rendering able leadership and for constructive efforts in promoting the D-8 objectives during its Chairmanship, we wish the Hon. Prime Minister of Malaysia every success during his chairmanship.

25. We accept the gracious offer of the Government of the Federal Republic of Nigeria, to host the Seventh Summit of the Developing-Eight in July 2010.



Heads of State/Government of D-8 member countries congratulate each other at the end of the press conference.

# RULES OF ORIGIN FOR THE PREFERENTIAL TRADE AGREEMENT (PTA) AMONG THE D-8 MEMBER STATES

These Rules may be called the Rules of Origin under the Preferential Trade Agreement among D-8 Member States (hereinafter referred to as "D-8 PTA"), pursuant to Article 12 of D-8 PTA. These Rules shall be annexed to the D-8 PTA and form an integral part thereof.

## **RULE I**

### Definitions

For the purposes of these Rules:

- (a) "CIF value" means the price actually paid or payable to the exporter for the goods when the goods are unloaded from the carrier, at the port of importation. The value includes the cost of the goods, insurance and freight necessary to deliver the goods to the named port of destination;
- (b) "Consignment" means goods which are either sent simultaneously from one exporter to one consignee or covered by a single transport document covering their shipment from the exporter to the consignee or, in the absence of such a document, by a single invoice;
- (c) "Customs Value" means the transaction value of imported goods, which is the price actually paid or payable for the goods when sold for export to the country of importation, including other leviable charges and adjustment. In cases where the Customs value cannot be determined on the basis of transaction value, it will be determined using one of the following methods:
  - i. The transaction value of identical goods;
  - ii. The transaction value of similar goods;
  - iii. The deductive value method;
  - iv. The computed value method; or
  - v. The fall-back method.
- (d) "Ex-Works Price" means the price paid or payable for the good to the manufacturer in the Contracting Member's territory in whose undertaking the last working or processing is carried out, provided that the price includes the value of all the materials used, excluding any internal taxes which are, or may be repaid when the good obtained is exported;

- (e) "Indirect Material" means a good used in the production, testing or inspection of a good but not physically incorporated into the good, or a good used in the maintenance of buildings or the operation of equipment associated with the production of a good, including:
  - i. fuel and energy;
  - ii. tools, dies, and moulds;
  - iii. parts and materials used in the maintenance of equipment and buildings;
  - iv. lubricants, greases, compounding materials, and other materials used in production or used to operate equipment and buildings;
  - v. gloves, glasses; footwear, clothing, safety equipment, and supplies;
  - vi. equipment, devices, and supplies used for testing or inspecting the goods;
  - vii. catalysts and solvents; and
  - viii. any other goods that are not incorporated into the goods but whose use in the production of the goods can reasonably be demonstrated to be part of that production;
- (f) "Materials" means ingredients, parts, components, subassembly and/or goods that were physically incorporated into other goods or were subject to a process in the production of other goods;
- (g) "Non-originating Material" used in production means any material whose country of origin is other than that of Contracting Members and any material whose origin cannot be determined;
- (h) "Originating Goods" means goods that qualify as originating in accordance with the provisions of Rules of Origin of D-8 PTA;
- (i) "Production" means methods of obtaining goods including manufacturing, producing, assembling, processing, raising, growing, breeding, mining, extracting, harvesting, fishing, trapping, gathering, collecting, hunting and capturing; and
- (j) "Territories" means territories of Contracting Members including territorial waters.

# RULE 2 Origin Criteria

Products covered by the D-8 PTA imported into a Contracting Member's territory from another Contracting Member's territory which are consigned directly within the meaning of Rule 7, shall be eligible for preferential treatment if they conform to the origin requirements under any one of the following conditions:

- (a) Products which are wholly obtained or produced as set out and defined in Rule 3; or
- (b) Products not wholly obtained or produced provided that the said products are eligible under Rule 4.

# **RULE 3** Wholly Obtained or Produced Products

- 1. Within the meaning of Rule 2 (a), the following shall be considered as wholly produced or obtained in a Contracting Member's territory:
  - (a) Plant and plant products harvested, picked or gathered there;
  - (b Live animals born and raised there;
  - (c) Products obtained from live animals referred to in paragraph (b) above;
  - (d) Products obtained from hunting, trapping, fishing, aquaculture, gathering or capturing conducted there;
  - (e) Minerals and other naturally occurring substances, not included in paragraphs (a) to (d) above, extracted or taken from its soil, waters, seabed or beneath their seabed;
  - (f) Goods taken from the waters, seabed or beneath the seabed outside the territorial waters of that Contracting Member; provided that that Contracting Member has the rights to exploit such waters, seabed and beneath the seabed in accordance with international law;
  - (g) Goods of sea fishing and other marine products taken from the high seas by vessels registered with a Contracting Member or entitled to fly the flag of that Contracting Member;
  - (h) Goods processed and/or made on board factory ships registered with a Contracting Member or entitled to fly the flag of that Contracting Member, exclusively from products referred to in paragraph (g) above;
  - Used articles which no longer can perform their original purpose and are not capable of being restored or repaired and are fit only for disposal or recovery of parts of raw materials, or for recycling purposes;
  - (j) Waste and scrap resulting from manufacturing operations conducted there; and
  - (k) Goods obtained or produced in a Contracting Member's territory solely from products referred to in paragraphs (a) to (j) above.
- 2. The terms "their vessels" and "their factory ships" in paragraph I (g) and (h) shall apply only to vessels and factory ships:
  - (a) Which are registered or recorded in a Contracting Member's territory; or
  - (b) Which sail under the flag of a Contracting Member ; or

(c) Which are owned to an extent of at least 50 per cent by nationals of a Contracting Member or by a company with its head office in one of Contracting Members territories, of which the manager or managers, Chairman of the Board of Directors or the Supervisory Board, and the majority of the members of such boards are nationals of a Contracting Member and of which, in addition to that, in the case of partnerships or limited companies, at least half of the capital belongs to that Contracting Member or to public bodies or nationals of the said Contracting Member.

# **RULE 4** Not Wholly Produced or Obtained Products

- 1. For the purposes of Rule 2(b), a product shall be deemed to be originating if not less than '40' % of ex works price of its content originates from a Contracting Member.
- 2. For the purposes of calculating local value added content the following method shall apply:

Ex Works Price – Value of non Originating Materials

x  $100 \ge 40$  %

Ex Works Price

X 100 <u><</u> 10

- 3. The value of the non-originating materials shall be:
  - (i) the CIF value at the time of importation of the materials; or
  - the earliest ascertained price paid for the materials of undetermined origin in the territory of the Contracting Member where the working or processing takes place.

## **RULE 5**

### **Cumulative Rule of Origin**

Unless otherwise provided for, products which comply with origin requirements provided for in Rule 2 and which are used in the territory of a Contracting Member as materials for a finished product eligible for preferential treatment under the D-8 PTA shall be considered as products originating in the territory of a Contracting Member where working or processing of the finished product has taken place provided that the aggregate D-8 Contracting Member's originating content on the final product is not less than 40%.

### **Minimal Operations and Processes**

The following shall in any event be considered as insufficient working or processing to confer the status of origin, whether or not they comply with the requirements of Rules 3, 4 or 5:

- (a) operations to ensure the preservation of products in good condition during transport and storage (such as drying, freezing, keeping in brine, ventilation, spreading out, chilling, placing in salt, sulphur dioxide or other aqueous solutions, removal of damaged parts, and like operations);
- (b) simple operations consisting of removal of dust, sifting or screening, sorting, classifying, matching (inkling the making-up of sets of articles), washing, painting, cutting;
- (c) changes of packing and breaking up and assembly of consignments;
- (d) simple cutting and slicing;
- (e) affixing of marks, labels or other like distinguishing signs on products or their packaging;
- (f) repacking or placing in bottles, flasks, bags, boxes, fixing on cards or boards and all other packing operations;
- (g) simple mixing of products whether or not of different kinds;
- (h) simple assembly of parts of products to constitute a complete product;
- (i) disassembly;
- (j) slaughter of animals;
- (k) mere dilution with water or another substance that does not materially alter the characteristics of the goods;
- (I) ironing or pressing of textiles;
- (m) husking, partial or total bleaching, polishing, and glazing of cereals and rice;
- (n) operations to colour sugar or form sugar lumps; and
- (o) peeling, stoning and shelling, of fruits, nuts and vegetables.

# **RULE 7**

### **Direct Consignment**

The preferential treatment provided for under the D-8 PTA applies only to products, satisfying the requirements of these Rules which are transported directly among the Contracting Members. However, the products whose transport involves transit through one or more intermediate non-Contracting Member's territory with or without transhipment or temporary storage shall also be eligible for preferential treatment provided that:

(a) the transit entry is justified for geographical reasons or by consideration related exclusively to transport requirements;

- (b) the products have not entered into trade or consumption there;
- (c) the products have not undergone any operation there other than unloading and reloading or any operation required keeping them in good condition; and
- (d) evidence that the conditions set out in (a), (b) and (c) above have been complied with, such as Bill of Lading or a single transport document covering the passage from the exporting country through the country of transit.

### **Treatment of Packing**

- Where for purposes of assessing customs duties, a Contracting Member treats products separately from their packing; it may also, in respect of its imports consigned from another Contracting Member, determine separately the origin of such packing.
- 2) Where paragraph (1) above is not applied, packing shall not be taken into account in determining the origin of the product.
- Packing material and containers exclusively used for the transportation of a product shall not be taken into account in determining the origin of the product.

# **RULE 9**

### Accessories, Spare Parts and Tools

The origin of accessories, spare parts, tools and instructional or other information materials presented with the goods therewith shall not be taken into account in determining the origin of the goods, provided that such accessories, spare parts, tools and information materials are classified and customs duties collected with the goods by the importing Contracting Member.

# RULE 10

## **Treatment of Indirect Materials**

Unless otherwise provided, for the purpose of determining the origin of goods, the origin of indirect materials, or the materials used in its manufacture which do not remain in the goods or form part of the goods, shall not be taken into account.

# RULE II

### **Classification of Goods**

For the purposes of these Rules, goods, materials and products shall be classified in accordance with the General Rules of Interpretation of Harmonised System.

## **Re-importation of Exported Goods**

If originating goods exported from a Contracting Member are re-imported, they must be considered as non-originating, unless it can be demonstrated to the satisfaction of the customs authorities that:

- (a) the returning goods are the same as those exported; and
- (b) they have not undergone any operation beyond that necessary to preserve them in good condition while in that country or while being exported.

# RULE 13

### Exhibitions

- 1. Originating products, sent for exhibition outside a Contracting Member's territory and sold after the exhibition for importation into a Contracting Member's territory shall enjoy the preferential treatment under the D-8 PTA provided it is shown to the satisfaction of the Customs authorities that:
  - (a) an exporter has consigned these products from a Contracting Member's territory to the country in which the exhibition is held and has exhibited them there;
  - (b) the products have been sold or otherwise disposed of by that exporter to a person in a Contracting Member's territory;
  - (c) the products have been consigned during the exhibition or immediately thereafter in the country in which they were sent for exhibition; and
  - (d) the products have not, since they were consigned for exhibition, been used for any purpose other than for demonstration at the exhibition.
- 2. A D-8 Certificate of Origin must be issued or made out in accordance with the provisions of D-8 PTA and submitted to the Customs authorities of the importing country in the normal manner. The name and address of the exhibition must be indicated thereon. Where necessary, additional documentary evidence of the conditions under which they have been exhibited may be required.
- 3. Paragraph I shall apply to any trade, industrial, agricultural or crafts exhibition, fair or similar public show or display which is not organised for private purposes in shops or business premises with a view to the sale of foreign products, and during which the products remain under customs control.

# RULE 14

### Prohibition

Any Contracting Member may, subject to notification to the D-8 Secretariat, prohibit importation of products containing any inputs originating from any non-Contracting Member's territory with which it does not want to have economic and commercial relations.

# D-8 Certificate of Origin and Operational Certification Procedures

- 1. A claim that products shall be accepted as eligible for preferential treatment shall be supported by a D-8 Certificate of Origin issued by the Customs or the relevant competent authorities designated by the respective Governments of the exporting Contracting Members and notified to the other Contracting Members in accordance with the Operational Certification Procedures, as set out in the Attachment.
- 2. The Attachment and its Appendix shall form an integral part of the D-8 Rules of Origin.

# RULE 16

### **Dispute Settlement**

- 1. Any dispute that may arise among the Contracting Members regarding the implementation or interpretation of the provisions of the D-8 Rules of Origin, shall be dealt in accordance with Article 26 of the D-8 PTA.
- 2. In all cases, the settlement of disputes between the importer and the customs authorities of the importing country shall be under the legislation of the said country.

# RULE 17

## Penalties

In accordance with national legislation, penalties shall be imposed on any person who draws up, or causes to be drawn up, a document which contains incorrect information for the purpose of obtaining a preferential treatment for products.

# RULE 18

### Free Zones

- 1. Contracting Members shall take all necessary steps to ensure that products traded under cover of a D-8 Certificate of Origin, which in the course of transport, use a free zone situated in their territory, are not substituted by other goods and do not undergo handling other than normal operations designed to prevent their deterioration.
- 2. By means of an exemption to the provisions contained in paragraph 1, when products originating in a Contracting Member's territory are imported into a free zone under cover of a D-8 Certificate of Origin and undergo treatment or processing, the authorities concerned shall issue a new D-8 Certificate of

Origin at the exporter's request, if the treatment or processing undergone is in conformity with the provisions of this Attachment and the D-8 Rules of Origin.

# RULE 19

# **Goods in Transit and Storage**

Goods which conform to the provisions of D-8 Rules of Origin and which on the date of entry into force of the D-8 PTA are either being transported or are being held in a Contracting Member's territory in temporary storage, in bonded warehouses or in free zones, may be accepted as originating products subject to the submission, within four months from the date of entry into force of the D-8 PTA, to the customs authorities of the importing country of D-8 Certificate of Origin, drawn up retrospectively, and of any documents that provide supporting evidence of the conditions of transport.

# RULE 20

### **Review and Modification**

- 1. The D-8 Rules of Origin may be reviewed and modified as and when necessary upon request of a Contracting Member as per procedure under Article 30 of the D-8 PTA.
- 2. Notwithstanding paragraph 1 of this Rule, the Attachment and its Appendix shall be modified and reviewed in accordance with the provision of Article 14 of the Attachment.

# STATEMENT BY THE HONOURABLE DATO' SERI ABDULLAH AHMAD BADAWI

Prime Minister of Malaysia



Their Excellencies The Heads of State and Government,

His Excellency Mr. Dipo Alam, Secretary-General of D-8

Excellencies, Ladies and Gentlemen,

I am very happy and pleased to welcome Your Excellencies to Kuala Lumpur for this gathering of the D-8. Your presence demonstrates your commitment to continue strengthening the cooperation between us through this initiative in which we have called ourselves the Developing Eight.

#### Excellencies, Ladies and Gentlemen,

We are meeting at a time when the world economy is facing grave threats to its wellbeing as a result of a combination of unprecedented circumstances. The price of oil has skyrocketed to levels never anticipated by the strategists and economic planners. The price of food has increased beyond the normal abilities to pay by the poor, which form the majority of the world's people. And these problems have come to the fore in the midst of a serious prospect of a more general and widespread global economic recession. Our peoples in the D-8 group of countries will be among those feeling the greatest pain arising out of the current international economic downturn. We need to brace ourselves, identify the right policies and take the correct steps to lessen the sufferings of our citizens, particularly those in the lower income categories.

No doubt, each of us will be doing the best we can for our respective countries. But our individual efforts will carry little weight towards improving the international economic situation as a whole. The global nature of the problems that I have just outlined clearly requires global-level solutions. Therefore, at this meeting, we need to achieve a consensus on the gravity of the situation and agree to send a united message to the world to state our viewpoint about the problems which now confront the international community.

#### Excellencies, Ladies and Gentlemen,

In my view, the most urgent challenge facing us is the food shortage in the world, which has resulted in the sharp increases in food prices. It is estimated that global food prices have risen by more than 75 per cent since 2000. The increasing prices are definitely putting increasing strains on the family budgets, especially those of the poor households in the developing world.

I believe the priority which had been given by most countries, in the past, to the industrialisation of their economies has resulted in much neglect of the agricultural sector. The lower level of investment allocated to this sector has caused inadequate expansion and modernisation of agriculture generally, leading to inadequate supplies of food and triggering the current food crisis. In Malaysia, we have given emphasis to the development of agriculture in our national development plans and we shall continue to do so in the years to come. I think this meeting must come out with a clear message on the need to boost food production in the world. This is especially needed in the context of additional difficulties brought about by climate change and natural disasters. There is also the danger of the food crisis creating political unrest in many societies.

#### Excellencies, Ladies and Gentlemen

The steep rise in the price of oil is an equally urgent challenge. Besides adding significantly to the costs of food, the high price of oil itself has become an increasingly critical threat to the well-being of the global economy. There are forecasts that the price of oil could rise to as high as USD 170 per barrel by the year end, and that it could even rise further to USD 200 per barrel next year.

We do believe that the major oil producers have an important role to play in addressing the interrelated problem of oil supplies and oil prices. We therefore welcome their recent meeting in Jeddah to address this and other related issues. Saudi Arabia had taken the lead to pledge an increase in its production of crude. We hope the other major producers will follow that example. Increases in production are, of course, mere short-term measures. Long term solutions must be found for stabilising the price of oil. For example, the international community can examine how the futures market might be organised to assist in stabilising prices. There must also be consensus on the appropriate methods of producing or creating alternative sources of energy. The widespread conversion of arable land to cater for the production of bio-fuels should be stopped. This will further deepen the global food scarcity and further drive up food prices. We must not allow the zeal for energy security to come into direct conflict with the basic need of food production.

The current crisis in food supplies and rising oil prices have forced governments to curtail expenditures or reallocate resources for development in order to meet the more immediate needs of societies. We should share ideas on how to mitigate the negative impacts of these short-term actions on the long-term requirements of sustained growth and development.

We must therefore identify the bold measure that we need to take now in order to guarantee the wellbeing of our economies and our peoples in the future. Maintaining a steady and continuing growth of our respective economies would be our contribution to combat the looming recession in the global economy.

#### Excellencies, Ladies and Gentlemen,

Our Group - the Developing Eight - is at a crossroad. One decade has passed since we came together with the primary objective of strengthening our economic and trade relations. Our achievements as a group have been modest, we must admit. We must seriously take stock of what we have achieved and what could have been achieved. This will enable us to decide the best way forward to build upon and add value to what we have achieved thus far. It is appropriate that we adopt, at this Sixth Summit, a new Road Map for the next decade of our cooperation.

## Excellencies, Ladies and Gentlemen,

Malaysia decided to host this Summit under the theme"Meeting Global Challenges Through Innovative Cooperation". We do need to be innovative in identifying suitable group activities, programmes or projects. I believe one important thing to do is to make concerted efforts to increase the private sector participation in our activities, programmes and projects. After all, they are the real engines of growth and development in our economies. I might add that we should also involve our civil societies wherever appropriate.

We must choose results oriented initiatives. In the context of current concerns, the D-8 might wish to give priority to projects in the area of renewable energy and the further development of the halal industry. I believe the D-8 Business Forum which had earlier discussed these issues can quickly come up with concrete and doable ventures.

## Excellencies, Ladies and Gentlemen,

Malaysia is honoured to assume the Chairmanship of the Developing Eight, after Indonesia.We are ready to do our part to further strengthen the linkages between and among the members of our group.With the full cooperation, support and commitment of everyone, we can attain our goals.

I wish to take this opportunity to pay tribute and record our appreciation to His Excellency Dr. Susilo Bambang Yudhyono, President of the Republic of Indonesia, for his dedication and efforts during his tenure as D-8 Chairman for the past two years. He has done a lot to keep the D-8 relevant.

I would also like to thank His Excellency Dr. Dipo Alam, the Secretary-General, and his staff for their hard work and contributions to ensure the continuing success of D-8.

I look forward to a stimulating and productive day of discussions ahead of us during this meeting.

With the prayer of Bismillahirahmannirrahim, I now declare open this Sixth Summit of the Developing Eight.

Thank you.

# STATEMENT BY H.E. DR. SUSILO BAMBANG YUDHOYONO

President of the Republic of Indonesia



Bismillahirrohmanirrahim Assalaamu'alaikum warahmatullahi wabarakatuh

Prime Minister of Malaysia, Dato' Seri Abdullah Ahmad Badawi, Presidents, Prime Ministers, Ministers of the D-8 Member Countries, Secretary-General of the D-8, Excellencies, Ladies and Gentlemen,

Permit me to start by thanking the Prime Minister of Malaysia, His Excellency Dato' Seri Abdullah Ahmad Badawi, and the people of Malaysia for hosting this important Summit Meeting of the Developing Eight. I am honoured to be here and delighted at the warm hospitality accorded to my delegation and me.

Our first task is to review what our Group has achieved in its first decade. After that we will adopt two major documents: the Kuala Lumpur Declaration and the Roadmap of D-8, which will guide our work in the Second Decade of our Cooperation.

Our cooperation has come a long way since D-8 was founded in Istanbul in 1997. By the time we met in Bali for the Fifth D-8 Summit and Indonesia assumed Chairmanship of our Group, we had the greatest confidence in the direction we had taken. Hence, in that Summit we reaffirmed our commitment to the goals and objectives of D-8, as their attainment would tremendously benefit our peoples.

Since then, we have carried out 31 programmes and activities. Fifteen of them were hosted by Indonesia. They covered such fields as trade, micro-finance, takaful, energy, tourism, civil aviation and health.

We have also completed the formulation of a D-8 Roadmap, which states our vision and mission, objectives and goals, guiding principles, phases, and key programmes. The Roadmap would provide pragmatic direction for our future work, taking into account the current realities of the world and how they impact on the welfare of our peoples.

I therefore sincerely hope that our Summit today will be able to adopt the Roadmap.

I am also pleased to inform you that the High-level Trade Officials Meeting has finally concluded their long and intensive negotiations on the Rules of Origin and Offers List. These two documents are a prerequisite to the full implementation of the D-8 Preferential Trade Agreement, which we signed at the Bali Summit.

We accomplished all of these because of the full support and cooperation that our member countries extended to Indonesia as Chair. Let me therefore take this opportunity to express Indonesia's gratitude and appreciation to all D-8 members, as well as to the Secretary-General and his able staff who worked hard to ensure the success of our joint efforts.

## Excellencies,

We cannot, however, rest on our accomplishments. We are facing enormous challenges. That is why the theme, "Meeting Global Challenges Through Innovative Cooperation" is very appropriate.

The first challenge that we must confront is that of globalisation. It is true that globalisation promotes integration and promises huge gains for nations that are competitive. But it is also true that globalisation has marginalised many developing nations. The only way we can escape marginalisation is to catch up and effectively compete by working more vigorously together among ourselves, with international institutions and with our developed partners.

We must therefore undertake the following:

First, we the D-8 countries have to be more proactive and innovative in our programmes and activities. We have to make optimal use of our resources: we have a combined population of more than 900 million that is a huge market for the products of our individual members.

That is also a huge labour pool that can be made even more valuable by a judicious effort at human resources development.

And our countries are blessed with abundant and diversified natural resources.

With these resources we should be able to contribute substantially to the global economy and to the eventual conquest of poverty.

Second, we have to enlist our private sectors in a robust effort to promote investment cooperation among D-8 countries. We just have to create more opportunities for our traders and entrepreneurs to meet, explore possibilities and strike up mutually profitable arrangements. And while they are doing these, we can

coordinate policies on incentives and facilitation.

Third, we need to close or minimise the economic gap among D-8 countries. For this purpose, we have to enlarge our intra-trade and strengthen partnership for development amongst ourselves.

#### Excellencies,

Perhaps even more urgent than the challenge of globalisation is the challenge of food and energy security. There is no quick-fix that will sweep aside this challenge. But we must act on it at once and in concert. To delay concerted action on this great challenge of our time is to court disaster.

The Food and Agriculture Organisation points out that since the mid-1970s rice stocks have been predicted to fall to very low levels, while the price of rice continues to escalate at a rate that burdens all rice-producing as well as rice-importing countries. This means that more people in the developing world will have less to eat: many will go from hunger to starvation.

That is why we have to find a solution to this problem of food scarcity. The least we can do in our respective countries is to strive for national food self-reliance that will support the domestic economy and meet the food requirements of the peoples.

The rising price of crude oil, the scramble for alternative sources of energy, and the threat of global warming have compounded the food crisis. The surge in oil prices has adversely affected most countries. Many developing countries are reeling from its impact. Higher transportation costs lead to higher food prices. Some developed countries have even shifted away from food production to raising bio-fuel crops. The idea is to reduce greenhouse gases and to wean themselves away from dependence on fossil fuels. It is not a good idea: it has only worsened the global food crisis.

These are but a few of the challenges we must grapple with. I am confident that we can cope with them and eventually overcome them if we are faithful to our commitments and if we have the support of a strong secretariat.

#### Excellencies,

I am optimistic that the envisioned D-8 permanent secretariat will ensure the full implementation of D-8 key programmes, as stipulated in the D-8 Roadmap.

And I do believe that under the able Chairmanship of Malaysia, D-8 will continue to move forward in pursuit of socioeconomic development for our peoples.

Thus I am distinctly honoured to hand over the chairmanship of D-8 to His Excellency Dato' Seri Abdullah Ahmad Badawi, the Prime Minister of Malaysia, and to congratulate Malaysia as the new Chairman of D-8 for the period of 2008 – 2010.

I thank you.

Wassalaamu'alaikum warahmatullahi wabarokatuh

# STATEMENT BY H.E. DR MAHMOUD AHMADINEJAD

President of the Islamic Republic of Iran



In the Name of Allah, the Compassionate, the Merciful

Oh Lord hasten arrival and insure good health and victory of your representative include us in ranks of his followers, companions and those who are willing to lay down their lives for him.

His Excellency Dato' Seri Abdullah Ahmad Badawi, the Honorable Prime Minister of Malaysia, the Honorable President and high ranking delegates.

#### Ladies and gentlemen,

I pray and thank Allah the Almighty for giving me this opportunity to be among this gathering once again.

At the outset, I would like to thank and state my appreciaction for the valuable efforts and sincere hospitality of my brother H.E. Dato' Seri Abdullah Ahmad Badawi and the people of Malaysia as well as the efforts of my brother H.E.Yudhoyono during his Presidency of the D-8.

#### Honorable colleagues and distinguished audience,

The fact is that injustice existing system in international relation has completely losts its efficiency and has not been able to solve the problems, challenges and to strengthen world peace and security as well as helping for welfare of the world people even though in many cases has been the creator of these problems.

The 60 years question of Palestine, the biter various crimes, massacring women and children, displacing of millions, and occupation, has remained unsolved questions.

The territory of Iraq still is under occupation by occupiers, thousands of people have been killed, millions of people have been displaced and backwardness of Iraqi from the path of progress and advancement are the consequences of occupation. Insecurity in Afghanistan in the recent years, extensive production of narcotic drugs, no attention to the rights of Lebanese people, continuation of arms race, stock-piling of MDW, spreading shadow of atomic weapons, exerting pressure by bulling powers to other states in order to impose their will to them maintaining military bases and developing these bases in different countries, violation of rights of freedom of the recognized norms of human being. Through exerting special controls and establishing secret jails and etc are the evidences of inefficiency of existing of international relations norms.

It is obvious that the International economic order also has reached to an impasse unprecedented increasing of the food prices and other essential commodities, sharp deprecation of US dollars and consequences of that devaluation of foreign currencies reserves increasing in oil prices gas dispute the fact that production is more than consumption of the market.

Heavy strike on production of agriculture production in many countries due to traffes mechanism, drought years due to non observance of environment regulations and spread of poverty in the world, all these problems are significant example of inefficiency of the international economic system. On cultural aspect all nations are facing with big challenge like endangering their culture values, endangering the foundation of family as a main unit of communities and ethnics as well as endangering their national identities.

#### Excellencies,

All challenges or most of them and afore said problems are as a result of parting dome erring powers from justice, rule and rights, friendship and brotherhood. Since most of organizations and international norms are based on secularism and being far from divine human values as well as some superior powers getting advantage of these circumstances to imposed their will so it is out of expectation that these organizations systems to solve problems based on justice, rule of rights and affections to human being.

## Excellencies, distinguished audiences,

In such environment the common development of multilateral cooperation would be as a solution for facing problems and challenges. The D-8 group based on its very existing philosophy and its main objective for its establishment should play more constructive and effective role in synergy act for increasing potentials of member countries as well as solving problems and challenges in regional and international development.

While despite useful measures comprehensive efforts made up to now by member countries there has not been expected use of this huge capacity, scientific, economic, political and cultural potentials of D-8 are exist at high level and they should be at the services of world order reforms as well as economic, scientific and technical progress of the member counties, Islamic world and other nations. Comprehensive close and extensive cooperation and activities of member countries in framework of the D8 can play important role for expansion of economic stability and reducing the impact of shock caused by economic financial crisis as well as being secure from consequences of unjust domineering system and increase the influence of the members in global market and economy.

## Dear colleagues, distinguished participants,

Based on divine traditions, domineering power will fall down and evidence of that are now clearly manifested.

They are in full impasse and there is no way for them to go out of this situation. We should program for the future world free of hegemonic powers.

D-8 members with full cooperation and consultation can prepare road map to pass the crisis in front of their brotherly and sincerely based on common to take great steps in line of strengthening peace and brotherhood in the world.

The D-8 would be the bearer of justice, friendship and peace in the world also to introduce a paradigm of justice and peaceful activities to universe.

The I.R. Iran in this direction is fully ready for any type of cooperation, in the areas such as economic, financial and fulfilling projects on environmental issues, tourism, new and better technologies, producing energy, exchange of expertise and regulating financial market within frame works of the D-8. The I.R. Iran by supporting preparation adopting the outlook plan for the next 10 years of the D-8 as well as supporting the secretariat offering following proposals:

- 1. Establishment and development of investment institutes such as establishment of financial fund for implementation of joint projects in different areas like as industry new technologies and agriculture.
- 2. Establishment of institute for cooperation on energy sector in order to use the potentials of the other member countries.
- 3. Expansion of cooperation in the field of Islamic Banking in order to help growing sustainable progress of the member state as well as establishing new banking system beside the existing systems.
- 4. To use the technical & engineering services of each others on reciprocal basis by establishing working group for preparing encyclopedia of the potentials and requirement of the member countries and introducing financial and legal mechanism in direction of utilization of these potential ties in.

In conclusion, I would like to thank you once again to my brother H.E.Yudhoyono, the Honourable President of the Republic of Indonesia for good will effect that he made during his presidency of the D-8 and also to congratulate to H.E. Dato' Seri Abdullah Ahmad Badawi who is taking over the new presidency of the D8 and I wish ever success for him to proceed the disered objective of the Group on well as praying to the Almighty God for the progress and prosperity of all Governments and people of the member countries.

<sup>\*</sup> Unofficial translation of statement provided by delegation

# STATEMENT BY H.E. SYED YOUSUF RAZA GILANI Prime Minister of the Islamic Republic of Pakistan

His Excellency Dato' Seri Abdullah Ahmad Badawi, Prime Minister of Malaysia, Honourable Heads of Delegation, Dr. Dipo Alam, Secretary-General of D-8, Excellencies, Ladies and Gentlemen,

It is an honour for me to address this eminent and distinguished gathering. I wish to congratulate you, Mr. Prime Minister, on assuming the Chairmanship of the Developing Eight. We are confident that under your able and dynamic leadership, this organisation will make further progress in achieving our common objective of development cooperation.

We are thankful to the people and the Government of Malaysia for the warm welcome and gracious hospitality extended to us since our arrival in this beautiful city.

I avail myself of this opportunity to express my deep appreciation to Indonesia for providing excellent leadership to this organisation over the last two years.

Our Secretary-General H. E. Dr. Dipo Alam deserves our commendation for his strenuous efforts in promoting the objectives of the organisation.

## Excellencies, Ladies and Gentlemen,

The sapling of the D-8 planted eleven years ago in Ankara, is growing steadily. Our vision in 1997, under the leadership of Turkey, was to make collective efforts for development cooperation among us. Though we are spread over in three continents, we have the bonds of affinity through close friendship. Today, as we gather in the beautiful city of Kuala Lumpur, we renew our collective pledge and determination to build a better, peaceful and prosperous future for our people. Ours is an organisation with a global reach, with abundant natural resources, and youthful population.

We are happy to see progress in promoting economic cooperation by promoting trade among D-8 countries. The signing of Agreements on Preferential Trade Agreement, Mutual Assistance in Customs Matters, and Simplification of Visa Procedures for Businessmen of Member States, are commendable steps in the right direction. Early implementation of these agreements will give impetus to promotion of intra-D-8 trade, which is at present only US\$ 60.5 billion.

Today, as we enter into the second decade of D-8, it is important to review our achievements and lay down a clear roadmap for adding value to our endeavours. Let me share my views in this regard.

In the last 11 years, the D-8 has made steady progress. However, the progress achieved so far does not reflect the true potential of D-8 countries. We need to look into the challenges before us, analyse them and convert them into opportunities to the advantage and betterment of our people.

#### Excellencies, Ladies and Gentlemen,

Pakistan is committed to the success of D-8. Pakistan's trade with D-8 countries accounts for 8.14 percent of its overall trade, which is the highest as compared to the trade of other D-8 states with members of the organisation. We need to do more to enhance economic opportunities that exist amongst us.

The D-8 can become a model of progress, development, cooperation and partnership. This organisation has a great promise with more than 930 million people and vast natural resources. We need to build knowledge-based societies, promote human resource development, skill development, education and research, and learn from each other's experiences and good practices. We need to promote greater connectivity, people-to-people contacts, networking and linkages exploiting the opportunities rendered by the Information Age.

We have the D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation among Member States. This is a useful document containing a blueprint of D-8 cooperation in diverse fields. I would like to suggest that we should prioritise areas of cooperation and focus on some selected projects with timelines and verifiable indicators for effective monitoring and evaluation. Our first and foremost priority should be the promotion of intra-D-8 trade. It is in trade and not in aid that the future of the D-8 countries lies. We hope all of us will soon implement the three agreements that we have signed for facilitation of trade promotion.

Pakistan would like the D-8 to rapidly grow and become a vibrant and effective organisation. In order to achieve success and move forward, we need to provide

the requisite human and financial resources to the D-8 Secretariat. We support the endeavours of the Secretary-General in strengthening the Secretariat commensurate with its mandate.

We welcome the association of private sector with the D-8, which will enrich our cooperation in various fields. The private sector clearly will be the engine of growth for our countries as we move forward. The holding of Business Forum on the sidelines of this Summit to deliberate on issues like biotechnology, halal industry, and renewable energy, is commendable. This offers an occasion for the private sector and businessmen from D-8 countries to interact with each other and explore ways and means to further enhance intra D-8 trade.

#### Excellencies, Ladies and Gentlemen,

The top most priority of my Government, which is democratically elected and enjoys overwhelming mandate of the people, is economic development for poverty alleviation in Pakistan. This broad objective determines our economic reform process. Pakistan's economy has shown great resilience in adverse times. We are committed to sustain the growth trend that we have experienced in the last few years. Today we have a liberalised market oriented economy with abundant opportunities for businessmen and investors. We have established special economic zones with special incentives for foreign companies to invest in Pakistan. Foreign companies are free to repatriate their profits abroad. Pakistan still offers one of the best opportunities for investment within the region, particularly in the power sector.

Pakistan is strategically located at the confluence of South Asia, Central Asia and South-west Asia, with immense human and natural capital. It can serve as an energy and trade corridor for the entire region. The wealth of our human and material resources is available to our brothers in the D-8 for enhancing mutually beneficial cooperation and integration of our fast growing economies.

## Excellencies, Ladies and Gentlemen,

The world is facing today the menace of extremism and terrorism, which has affected our socio-economic development. Pakistan has suffered the most due to this curse. Our great leader former Prime Minister Shaheed Mohtarma Benazir Bhutto was martyred by terrorists. However, such cowardly acts will never dampen our firm resolve to fight terrorism and extremism with an iron fist. We are following a multipronged approach in dealing with extremism that combines use of political, economic, administrative, and military measures.

Peace and stability are indispensable for socio-economic progress. We have made positive progress in recent years in our dialogue with India. We are seeking peaceful resolution of all our outstanding issues, including the core issue of Jammu and Kashmir in accordance with the aspirations of the Kashmiri people. Pakistan is committed to peace and stability in the region. However, we are of the view that there is a need to move from conflict management to conflict resolution to achieve durable peace and security in South Asia.

## Mr. Chairman,

On behalf of the Government and the people of Pakistan, I avail myself of this opportunity to assure your government and the people of Malaysia of our full cooperation in our collective efforts to achieve tangible results in socio-economic development of our people.

Thank you.

# STATEMENT BY H.E. DR. FAKHRUDDIN AHMED

Chief Adviser to the Goverment of the People's Republic of Bangladesh



Bismillahir Rahmanir Rahim

Mr.Chairman, Excellencies, Distinguished Guests, Ladies and Gentlemen,

Assalamu Alaikum,

I feel deeply honoured to attend the 6<sup>th</sup> D-8 Summit in this beautiful city of Kuala Lumpur. Since its inception in 1997, D-8 our Group of Developing Eight Countries has crossed significant milestones in forging closer cooperation among our nations. This Summit offers us an opportunity to take stock of our achievement and assess the challenges that the Group faces today. This also provides us the momentum to formulate a plan of action for the second decade of D-8. I am truly grateful to Prime Minister Dato' Seri Abdullah Ahmad Badawi for hosting the Summit at this critical juncture. Allow me to take this opportunity to convey my delegation's sincerest thanks to the Government of Malaysia for their warm welcome and gracious hospitality. Let me also convey our deepest appreciation to the Secretary-General of D-8 and his dedicated staff. Despite limited resources and myriad challenges, he has led the process most effectively. I also thank him for his very comprehensive and useful report.

## Mr Chairman,

Malaysia is a beacon of hope for many developing countries. It is truly an Asian Miracle and we all stand to learn from its development experience. With consistent high savings rate, investment in human resource development and sound macro-economic policies, Malaysia transformed itself from resource dependence to a knowledge-based economy. Its egalitarian development strategies ensured that the benefits of economic growth reached all its citizens. The resilience of the Malaysian economy became evident during the financial crisis of 1997 when it chose to undertake strong counter-cyclical measures. Among the crisis-hit countries, it experienced the shallowest, shortest recession. It gives me great satisfaction that the second decade of D-8 begins its journey here in Malaysia. The venue of this Summit gives our Group the right perspective to prioritise our objectives. The Developing Eight should be able to replicate the success of Malaysia, individually and collectively. Let this Summit be the turning point in our endeavours.

#### Mr Chairman,

We formed D-8 to promote economic and trade cooperation among ourselves. Our goal is to create new trade opportunities, promote linkages, enhance our leverage in multilateral decision-making process and most importantly, attain better standards of living for our people. Against these targets, we must measure our success. We must, at the same time, identify the hurdles. Let us renew our resolve and devote additional resources to attain our cherished goals.

It is encouraging that D-8 prioritised trade as a thrust sector for growth. The current volume of D-8 intra-trade is however still small – roughly US dollar 49 billion. It is only about nine percent of the world trade. The relentless efforts of our High Level Trade Officials have already brought some tangible results. I am confident that full implementation of the Preferential Trade Agreement (PTA) provisions will significantly boost the volume of our trade. Our model of economic cooperation must, however, strike a balance between equity and efficiency. This will set us apart from other economic cooperation frameworks. We must ensure equitable distribution of benefits and opportunities among the member countries, taking into account the differences in our national circumstances. The full "Recognition of Needs of the Least Developed Contracting Members" of D-8, as envisaged under Article-3(b) of the PTA, should be upheld in all contexts.

Tariff liberalisation is only one aspect of the challenge. Our trade often faces significant difficulties due to lack of harmonisation in measurement, standards and testing quality. We must make comparable and consistent efforts to reduce these non-tariff and para-tariff barriers to optimise our trade potentials. The Customs Agreement, signed by all D-8 countries, is a good step forward. We must take the necessary next step to operationalise this Agreement without further delay.

#### Mr Chairman,

One can hardly over-emphasise the importance of enhancing people-to-people contact. The D-8 Agreement on Simplification of Visa Procedures for businessmen and the MoU on Air Services Cooperation are two landmarks in connecting the minds and hearts of our peoples. But agreement must translate into action. And this must happen soon. I am glad to inform you that Bangladesh has just ratified the D-8 Visa Agreement, which will greatly facilitate business travel to Bangladesh from other D-8 countries. We are confident that our relations will enter a new era once these agreements become fully operational in all member states.

In any country, the business community is a prime agent of growth. Connecting our business leaders has been one of our key priorities. The establishment of D-8 Business Forum is surely one of our remarkable achievements. The Forum, I believe, will provide a useful platform for cross-fertilisation of ideas, innovation and investment. It is my fervent hope that the Business Forum would take up realistic projects and joint ventures to foster meaningful cooperation among the D-8 countries.

#### Mr Chairman,

We have rightly identified tourism and energy as two prospective sectors for mutual cooperation. Our Tourism Ministers met in May 2008 and discussed a whole range of issues. I strongly believe that more such high level meetings will be useful to materialise the objectives of D-8. We should, however, take a structured and action-oriented approach to make all high-level consultations effective and to serve the common interests of the membership. In this context, I would like to underscore the need for strengthening the capacity of D-8 Secretariat. This is an imperative to achieve our common objectives.

#### Mr Chairman,

Despite making significant strides, we are yet to realise the full potentials of D-8. The Group is yet to take full advantage of the complementarities of our economies. The synergies must be optimised. The D-8 Roadmap gives us not only a sense of purpose, but also a sense of direction. But this must be complemented by a strategic and comprehensive plan of action. Let me now highlight a few key areas, which, I feel, should form the backbone of D-8 Cooperation in future:

First, the on-going energy crisis and the ever-rising price of bio-fuel make it an imperative that D-8 enhances its cooperation in the field of energy. We should collectively explore and implement capacity building programmes to ensure energy security of the member-states. Among the D-8 members, we should be able to establish innovative financing mechanisms to ensure a steady supply of reliable and affordable energy. D-8 should also strengthen its focus on renewable energy. Achieving energy security is a must if we are to realise our development potentials.

Secondly, against the backdrop of the current global food crisis, we should seriously consider creating a D-8 Food Fund to enhance our collective food security. The unprecedented price hike of food grains is disproportionately affecting the poor in many of our countries.We need to develop mechanisms, not only to address short-term supply-side shocks but also strengthen cooperation to increase agricultural productivity. This is a must to prevent hunger and malnutrition – one of the key priorities of the Millennium Development Goals as you are perhaps aware. Bangladesh – as the current Chair of the LDCs – urged the UN Secretary-General to form a high level Task Force to address the current food crisis. It is heartening that the Secretary-General has accepted our proposal and taken prompt action.

Thirdly, while making steady progress in forging a Preferential Trade Agreement, we should, at the same time, aim at creating a D-8 Free Trade Area. It is encouraging that four members of D-8 have already concluded bilateral Free Trade Agreements.

This trend should continue to include all others. While the Doha Development Round continues to elude us, we must re-double our efforts to make trade an engine of growth. We should continue to work together so that the developed countries remove the tariff and non-tariff barriers against our agricultural and textiles exports.

Fourthly, we should enhance our cooperation to reverse climate change and global warming, keeping in mind that many LDCs and low-lying coastal states will be the worst victims of a climatic catastrophe. D-8 members should cooperate in regional and multilateral forums to uphold the sacrosanct principle of "common but differentiated responsibility". Cooperation amongst us is a must to ensure that the developed countries make unilateral, meaningful and unconditional commitments to reduce their greenhouse gas emissions. At the same time, D-8 should actively pursue sustainable development with special emphasis on adaptation and technology transfers. The developed countries should provide us with adequate additional resources to address climate change adaptation needs in addition to regular Overseas Development Assistance. Bangladesh stands ready to offer its own experiences in adaptation techniques and practices.

Fifthly, we should recognise the full potential of international migration to foster development. Migration, through remittances and transfer of knowledge, has proved to be a strong antidote for poverty. Opportunities for legal migration, however, remain limited because of various restrictive policies and practices in many destination countries. We should take concrete measures, and go beyond the visa agreement, to facilitate the movement of natural persons among the D-8 member countries. D-8 should also take a common position on liberalisation of Mode IV services to ease the movement of labour to the developed economies. The Global Forum on Migration and Development offers a new platform to deliberate on these issues and we should work together in the Forum to make migration a development priority.

#### Mr Chairman,

You are aware, my Government assumed office in January 2007 against the backdrop of a looming political crisis. Following our pledge and the Roadmap, we are now at the final phase of political reforms to make our democracy meaningful and sustainable for our people. My government has taken significant measures to eradicate corruption, promote the rights of our people, establish rule of law, improve law and order situation and make the Government, especially the judiciary, more effective and accountable. We are working relentlessly and uncompromisingly to achieve these goals of good governance. To ensure that these reforms are irreversible, my government has already started dialogue with political parties to forge a national consensus for good governance. Bangladesh's experience, we believe, can serve as an example for many developing countries who face the challenges of democracy and governance.

In conclusion, let me reiterate Bangladesh's unflinching commitment to the principles and objectives of D-8 in promoting equitable development. We are confident that D-8 would reach a new trajectory of meaningful cooperation in the second decade of its existence.

#### Thank you all.

# STATEMENT BY H.E. ALI BABACAN Minister of Foreign Affairs

of the Republic of Turkey



Mr. Chairman, Hon. Heads of State and Government, Distinguished Ministers, Secretary-General, Ladies and Gentlemen,

Let me first say that Prime Minister Erdogan very much regrets not being able to attend the Sixth Summit of D-8 due to unforeseen commitments. He has asked me to transmit his warm greetings to you, Mr. Chairman, and to all participants.

I would also like to express my deep appreciation to you, Mr. Chairman, for the warm hospitality extended to us since our arrival, as well as for the excellent arrangements made for this important meeting.

Since the founding of D-8 in 1997, Turkey has attached great importance to the cooperation between its members. We remain committed to the goals and objectives of the Istanbul Declaration which forms the basis of our cooperation.

As you would all recall, we exchanged at that time our views regarding global economic developments and their effects on our countries.

As we all concurred then, poverty in the world may only be eliminated by improving conditions for all. In order for our economies to have sustainable competitiveness and to avoid barriers in the process of integrating into the world economy, we need a stable international macroeconomic environment. We have to comply with the principles of an open market economy. Furthermore, industrialisation, human resource development and constructive partnership between public and private sectors continue to be the essential requirements of economic development. Eleven years ago, while founding the D-8, we came together around the common goals of strengthening our economies and improving the welfare of our peoples. We decided to achieve these goals through cooperation and by our vast natural and dynamic human resources. Our main objectives continue to be the same.

In this context, while Turkish exports to the D-8 countries in the year 2000 amounted to 806 million US Dollars, by the year 2007 this figure more than tripled and reached 2.9 billion US Dollars. The imports in the year 2000 amounted to 1.7 billion US Dollars and by 2007 had increased more than six-fold and reached 11.1 billion US Dollars. By absorbing such large quantities of imports we, as Turkey, also contributed in our joint development.

Mr. Chairman, Hon. Heads of State and Government, Distinguished Representatives,

D-8 cooperation has a different structure from the existing international bodies or organisations. It has evolved and matured since its inception. Although geographic distances between our nations might be considered as a disadvantage for realising planned activities and producing further concrete projects, our political will for the enhancement of D-8 cooperation is strong enough to overcome these physical barriers. Moreover, by utilising the means offered by technology and the information age, we can diversify and enhance our activities within the D-8. Our efforts towards making best use of the potentials of our countries will bear fruit to the benefit of the peoples of D-8.

The importance of economic and trade cooperation has increased in the face of intense international competition and the speedy transformation process in every sector that we are witnessing today. It is necessary for the member states to continue effective cooperation through long term policies. D-8 is a good platform of discussion about the transformations in the world economy. In this context, we have to pay attention to the recent food and energy crises. They are adding urgency to this process.

I have no doubt that specialised institutions in our respective countries will continue to have an increased interest towards the activities of D-8. And I believe they will continue to present new projects aimed at intensifying our cooperation.

The agreement reached at the present Summit, to establish the Secretariat on a firm basis by giving it legal personality, will help it assume a more effective role. We also welcome the decision reached at our meeting on the scale of contributions to the Secretariat which is also an important step forward for our cooperation. We now look forward to the conclusion of a Headquarters Agreement between my Government and the Secretariat.

Mr. Chairman, Hon. Heads of State and Government, Distinguished Ministers,

We sincerely believe that the D-8 should continue to follow its objectives with

patience and determination. We should attribute predominance to trade issues. It has the priority among the D-8 issues. Improved cooperation in this field will bring benefits to all.

We are all aware of the important role that trade plays in a country's economy and development. In this regard, Turkey fully supports endeavors within the framework of D-8 for the liberalisation of trade and gradual removal of non-tariff barriers.

The ratification, in a timely manner, of the "Agreement on Administrative Assistance in Customs Matters" and the "Preferential Trade Agreement" (PTA) which we signed during the Bali Summit in 2006 as well as its annex on "Rules of Origin" that constitutes an integral part of the PTA, will constitute turning points of D-8. We welcome the readiness of six members to put these texts into force. And we are sure that the remaining two members will do so in the near future.

The activities of the private sector play an important role in the development of economic cooperation. As global competition intensifies, one way to obtain a share from rising prosperity is to strengthen the private sector and to increase mutual investments. Therefore, in order to enhance cooperation and communication between our private sectors;

- organising trade fairs and trade shows;
- promoting mutual visits between representatives of private sectors;
- and bringing together our businessmen, would be beneficial.

At this point, I would also like to draw your attention to the "Agreement on the Simplification of Visa Procedures for Businessmen". Now, this Agreement is signed by all of the Eight, but has not yet been ratified by all members. If we want to give our businessmen a positive sign, we should expedite the ratification process of this Agreement as soon as possible.

We should also continue to promote activities such as the "Business Forum" which has been organised at the margins of this Summit.

We welcome the adoption today of the road map for cooperation in our second decade. It contains concrete objectives in many areas ranging from trade to tourism, transportation, etc. We hope that these objectives can be reached and we must ensure that no effort is spared to that end.

#### Mr. Chairman,

#### Hon. Heads of State and Government,

On this occasion, I would like to share with you briefly some recent developments in the Turkish economy.

Turkey has achieved serious improvements in macroeconomic indicators due to fiscal discipline and prudent monetary policies in the last five years. As a result of the reforms our economy has also accomplished an important structural transformation.

During 2002-2007 the Turkish economy has become one of the fastest growing economies. Per capita income has reached 9,333 US Dollars. PPP adjusted figure is

even higher. This is the result of policies which put at their forefront the lifting of barriers for the private sector. Total external trade volume exceeded 300 billion USD. The economy has become much more resilient against global and domestic events.

Yet, we are aware that in order for the gains attained in recent years to become permanent, it is important to continue to implement structural reforms without interruption.

Mr. Chairman, Hon. Heads of State and Government,

While concluding my remarks, I would like to express my sincere gratitude to Indonesia which held the D-8 Chairmanship-in-Office for the past two years and wish all the success to Malaysia as it assumes the Chairmanship-in-Office for the next two years.

Thank you.

# STATEMENT BY H.E. FAYZA MOHAMED ABOUL NAGA

Minister for Economic Cooperation of the Arab Republic of Egypt (on behalf of the President of the Arab Republic of Egypt)



In the Name of God, the most Merciful and Compassionate,

Your Excellency Mr. Abdullah Ahmad Badawi, the Prime Minister of Malaysia, Your Excellencies, the Presidents of the D-8 countries, Your Excellencies, the Heads of Governments of the D-8 countries, Your Excellencies, the Ministers and Heads of Delegations, Your Excellency, the Secretary-General, and the D-8 Commissioners, Ladies and gentlemen,

Let me start by conveying to your Excellencies the warm greetings of President Mohamed Hosni Mubarak, who was unable to participate in this summit due to pressing commitments related to the critical situation in the Middle East.

President Mubarak asked me to convey to your Excellencies his sincere wishes for the success of the Summit. The President is confident that under the wise leadership of H.E. the Prime Minister of Malaysia, Mr. Abdullah Ahmad Badawi, who will be presiding over the Summit's discussions and deliberations, the D-8 will succeed in boosting relations among its member countries, and will assume a leading role in tackling global issues. Furthermore, President Mubarak expresses his deep appreciation to H.E. the President of Indonesia Mr. Susilo Bambang Yudhoyono for his genuine commitment and dedication towards strengthening cooperation among D-8 countries throughout Indonesia's Presidency of our group. It is now my honor and privilege to relay to your Excellencies President Mubarak's message to the summit:

Excellencies, Heads of States and Governments of the D-8 countries,

Egypt participates actively in this Summit with the hope and conviction that this distinguished gathering would continue to revitalise and give new impetus to our cooperation. I wish to re-affirm Egypt's commitment and willingness to support the implementation of the D-8 Summit decisions and the work plans these decisions require. We do so out of the recognition of the strength of the D-8 group that comprises the largest Islamic countries, in terms of population, economic capabilities and political influence.

Egypt highly appreciates the Malaysian invitation to host this Summit and its commitment to attain the D-8 goals, which we all cherish:

"Peace instead of conflict, dialogue instead of confrontation, cooperation instead of exploitation, justice instead of double-standards, equality instead of discrimination, democracy instead of oppression".

#### Excellencies,

We are meeting today while the world is facing several challenges. The new developments of soaring food and energy prices and looming recessionary trends in the world economy no doubt, pose a serious challenge to our efforts in our respective countries to maintain sustainable development and growth rates necessary to implement national development plans as well as the millennium development goals (MDG's).

These crises embody several difficulties that are interrelated in their economic, social and environmental dimensions, and will eventually have adverse effects on all countries be it the more developed, the developing and more seriously the least developed countries.

The roots of the current food crisis go back at least three decades. We must pursue a reasoned approach to finding sustainable solutions that attract the international community's endorsement and mobilise its efforts to apply them. These solutions must seek ways and means of dealing with the widening gap between food supply and food demand.

There is an urgent need for an international dialogue among food and energy exporting and importing nations to reach solutions that foster the satisfaction of the world population's food and energy needs. I have recently – on the occasion of the Food and Agriculture Summit held in Rome – called upon FAO and international parties to launch such a dialogue without delay.

In this context, we see the need for actions at national, regional and international levels. Egypt is currently putting in place a national policy to mobilise its agricultural sector resources to improve and increase the average yield, while at the same time exploring collaboration prospects with our neighbours, especially those that share the River Nile waters. In doing so, significant contribution by the private sector as a locomotive for growth is consistently encouraged. We believe that the D-8 community should consider its response to the challenges facing us by discussing how best we can cooperate not only among ourselves but also with the rest of the world and to do so by taking into account the interests and aspirations of developing countries, as well as the diversified potentials as well as good practices of D-8 member countries.

By joining the international community we signal our support of the multilateral trading system that must be fair and equitable to avert the dangers of marginalisation.

#### Excellencies,

The D-8 celebrates its 11<sup>th</sup> anniversary this year. It is no doubt gaining wider acknowledgment of its role in boosting cooperation among member states, as a result of efforts made to strengthen cooperation in various areas, ranging from trade and agriculture to tourism, from energy to civil aviation, among others.

More than ever, the potential, capabilities and resources of our eight countries need to be put in perspective in a manner that would encourage and provide vibrant mode for South-South cooperation.

### Excellencies,

We need to build on past achievements. The adoption of the D8 Roadmap for 2008-2018 would serve as a guide for future undertakings, and provide a vision and framework for cooperation among our countries. We also need to agree on a framework for monitoring and evaluating our progress and such an evaluation necessitates that we set measurable benchmarks and realistic deliverables. With what has been achieved in the last few years and the outcome of the current summit I am confident that our group is on the right track.

## Excellencies,

Egypt has undertaken several steps in recent years to speed up economic and social reforms and create a more conducive environment for growth, investment and development. We hope that our partners in the D-8 community will take fuller advantage of these reforms. Egypt is "open for business" and we welcome investors, trade and development partners especially among this group.

To conclude, I would like to express my appreciation to the Indonesian people and government and most particularly to my dear brother H.E President Susilo Bambang Yudhoyono for a very able and productive presidency over our group. We are also grateful for the efforts of our Secretary-General and his staff. My sincere appreciation also goes to the Malaysian people and government for the tremendous efforts made in preparing and hosting this Summit. Finally to my dear brother Prime Minister Abdullah Ahmad Badawi I pledge Egypt's full support and commitment regarding successful and rewarding presidency.

This concludes the President Mubarak's message.

Thank you for the attention.

# STATEMENT BY H.E. ENGR. RAYMOND N. OKENWA

Permanent Secretary of the Ministry of Science and Technology of the Federal Republic of Nigeria



Excellencies,

Distinguished Ladies and Gentlemen,

On behalf of the President, Government and People of Nigeria, I wish to express deep appreciation to the Government and People of Malaysia for the warm and cordial hospitality extended to me and my delegation since our arrival in Kuala Lumpur.

We also appreciate the way and manner Indonesia had piloted the affairs of the D-8 for the past two years, which is highly commendable. It is our hope that the mantle of leadership handed over to Malaysia will witness a continuation of the momentum generated by Indonesia.

We would also like to extend our commendation of the work, done by the D-8 Commission, the Council of Ministers, the Secretariat and the Business Forum paving the way towards this successful Summit.

Nigeria values D-8 as a veritable vehicle for the socio-economic development of member states, through active cooperation among member states. We hereby restate our commitment to the principles and objectives of the D-8.

It is however hoped that the Declaration of this Summit would garner further cooperation among member states. We assure Malaysia of our full support and cooperation as she assumes the chair of the D-8.

Excellencies, Distinguished Ladies and Gentlemen,

I thank you for your attention.

# D-8 BUSINESS FORUM HILTON HOTEL, 3 JULY 2008

8.30 a.m. – 9.30 a.m.	:	REGISTRATION
9.30 a.m. – 10.00 a.m.	:	OPENING SESSION
Venue	:	Ballroom C
		Level 6, Hilton Hotel

- Welcoming remarks by the President of the National Chamber of Commerce and Industry, Malaysia
- Statement by the Secretary-General of D-8
- Opening statement by the Minister of International Trade and Industry, Malaysia

10.00 a.m. - 10.30 a.m. : TEA BREAK 10.30 a.m. - 12.00 p.m. : KEYNOTE ADDRESSES

- "Developing the Halal Industry Using Biotechnology" by Dato' Iskandar Mizal Mahmood, Chief Executive Officer, Malaysian Biotechnology Corporation
- (Topic to be informed) by the Ministry of Energy, Water and Communication, Malaysia
- "Malaysia as the Global Halal Hub" by Dato' Jamil Bidin, Chief Executive Officer, Halal Development Corporation Malaysia

12.00 p.m. – 2.00 p.m. : LUNCH BREAK

# **WORKSHOP GROUP I - BIOTECHNOLOGY**

Venue	:	Ballroom C Level 6, Hilton Hotel
2.00 p.m. – 3.00 p.m.	:	<b>Session I</b> - "How Biotechnology Can Contribute Towards the Development of the Halal Industry" <b>Convenor</b> - Prof. Yaacob Che Man, Lecturer of Food and Science Technology, Universiti Putra Malaysia
3.00 p.m. – 4.00 p.m.	:	<ul> <li>Session 2 - "Alternative Bio-Materials for Halal Biopharmaceuticals and Health Supplements".</li> <li>Convenor - Prof. Ma Zhongren, Chief Executive Officer, Minghai Biotech China</li> </ul>
400 pm 415 pm		TEA DDEAK

4.00 p.m. – 4.15 p.m. TEA BREAK

4.15 p.m. – 5.15 p.m. : Session 3 - "Issues in the Production of Halal Vaccines and Bio-pharmaceuticals"
 Convenor - Dato' Dr. Mohd. Nazlee Kamal, Chief Executive Officer, Inno Biologics Sdn. Bhd.

# **WORKSHOP GROUP II - RENEWABLE ENERGY**

Venue :	Central Link A Level 6, Hilton Hotel
2.15 p.m. – 3.45 p.m. :	Session I - "The Potential of Photo Voltaic Project: Experience of Europe and Malaysia". Convenor - Ir. Hadri Idris / Mr. Daniel Ruoss, Malaysia Building Integrated Photo Voltaic (MBIPV)
3.45 p.m. – 4.00 p.m. :	TEA BREAK
4.00 p.m. – 5.30 p.m. :	Session 2 - "Utilisation of Biomass Briquette as Renewable and Sustainable Source of Energy: A Malaysian Venture. Convenor - Ir. Dr. Mohd Shahir Liew, Sabutek (Malaysia) Sdn. Bhd.

# **WORKSHOP GROUP III - HALAL INDUSTRY**

Venue	:	Central Link B Level 6, Hilton Hotel
2.00 p.m. – 3.00 p.m.	:	<ul> <li>Session I - "Halal Integrity – Certification, Standard and Training".</li> <li>Convenor - Mrs. Mariam Abdul Latif, Vice President, Halal Development Corporation Malaysia</li> </ul>
3.00 p.m. – 4.00 p.m.	:	<ul> <li>Session 2 - "Research and Development in the Halal Industry".</li> <li>Convenor - Prof. Yaacob Che Man, Lecturer of Food and Science Technology, Universiti Putra Malaysia</li> </ul>
4.00 p.m. – 4.15 p.m.	:	TEA BREAK
4.15 p.m. – 5.15 p.m.	:	<ul> <li>Session 3 - "Halal Industry Initiatives – Nestle Halal Initiatives".</li> <li>Convenor - Representative from Nestle (Malaysia) Sdn. Bhd.</li> </ul>
5.30 p.m. – 6.00 p.m.	:	PRESS CONFERENCE

# THE PRESENTATION OF THE REPORT ON THE D-8 BUSINESS FORUM TO THE D-8 COUNCIL OF MINISTERS 6<sup>th</sup> July 2006, Kuala Lumpur

Hon. Ministers of the D-8 Council of Ministers Ladies and gentlemen Good Afternoon

- The National Chamber of Commerce and Industry of Malaysia (NCCIM), and also by and large on this occasion on behalf of the business community of D-8, would like to thank the D-8 Council of Ministers for the opportunity to make a report on the proceedings of the D-8 Business Forum held on Thursday, 3<sup>rd</sup> July 2008.
- In conjunction with the 6<sup>th</sup> D-8 Summit, the Ministry of Foreign Affairs Malaysia and the National Chamber of Commerce and Industry of Malaysia (NCCIM) had jointly organised a D-8 Business Forum on 3<sup>rd</sup> July 2008 – attended by the business community of Malaysia and those from a number of the D-8 member countries.
- 3. The business forum was a platform to provide an opportunity to the business community of the D-8 to explore and appraise business opportunities and collaborations which could arise within the D-8 trade bloc.
- 4. The forum reiterated on the strategic importance of the private sector of D-8 to have the appropriate mindset and actions geared towards the D-8. It was also impressed upon them that the governments of D-8 member countries have collectively devised and laid out the framework and initiatives, including D-8 Preferential Trade Agreement and the operational mechanism that are being put in place, to increase intra-D-8 trade and business collaborations. The key message to the private sector of D-8 was that realisation of such ends will require an alignment of private sector activities towards the same; i.e. the governments are the "facilitators" and it is "private sector driven" to see the results and reap the benefits.
- 5. The forum also reiterated to the business people that the perspective to be adopted is not just "intra-D-8" but also in the context of D-8 with various possible regional markets, including those possibilities arising from a member

country and its regional markets.

- 6. In illustrating the issue the forum posed as an example a scenario on Nigeria – and posed the following question; "How can the private sector of D-8 working in some degree of collaboration, leveraging on the strength of its fellow member countries, reap a sizeable portion of the business opportunities not only in Nigeria but also to seize effective entry and penetration into the West African Market?"
- 7. In this respect, the private sector was urged to learn in greater detail both the D-8 PTA and the opportunities and collaborations that can arise with a reiteration on the need to inculcate a habit of adopting a D-8 perspective whenever there is a need to evaluate and review business opportunities and collaborations within the arena of D-8.
- 8. It was also strongly reiterated that the business community should capitalise on the opportunity to hold discussions and meetings on the sidelines of the forum - collectively initiating on the probable areas of collaboration.
- 9. The forum also called upon the business community of the D-8 to voice out their concerns and impediments in doing business amongst the member countries of D-8; this feedback should be channelled to the governments of their respective countries and would be valuable feedback towards corrective measures to be initiated. In evaluating collaborative business ventures, the business community was reminded that there are avenues where they can channel their problems in implementing their projects to the D-8 Governments and there could be requests for special concessions and assistance from the D-8 Governments.
- The detailed sessions of the forum, presented concurrently in three breakout workshops, had a focus on three sectors – namely Biotechnology, Halal Industry and Renewable Energy.
- 11. The choice of the three sectors was driven by the belief that they offer ample scope of opportunities for the business community of D-8 to realise meaningful and sizeble business collaborations. At the same time it was also reiterated that the focus did not connote a limiting factor on the scope of probable business collaborations that could be explored and pursued.
- 12. The Biotechnology sessions, with the theme "Developing the Halal Industry Using Biotechnology" was intended to spur business thinking to enhance the realisation of collective commercial collaborations amongst the D-8 business community.

- 13. The biotechnology sessions also saw two significant proposals for collaboration:
- Cooperation in research and development towards the production of biopharmaceutical and bio-materials using genetic engineering processes – which arise as a result of deliberations that technological advancement in microbialbased bio-products will result in safer and greater quality bio-products as compared to those that are bovine (animal ) based.
- A Summit of D-8 researchers and scientists to share latest advancement and findings in biotechnology that could contribute towards developing and strengthening the Halal Industry within and amongst D-8 members.
- 14. It was the same at the Halal Industry and Renewable Energy sessions: again where the sessions within are intended to spur business thinking to enhance the realisation of collective commercial collaborations amongst the D-8 business community.
- 15. The Halal Industry sessions emphasised the scope and the magnitude of the Halal Industry; and it presented a span of business opportunities that could be pursued by the business community of D-8 – working collaboratively on bilateral and multilateral basis.
- 16. The sessions emphasised three dimensions "Halal Integrity", "Capacity Building", and "Awareness and Education with the Branding and Promotion" as the key strategic thrusts that need to be developed in order for the Halal Sector to realise its full potential.
- 17. The Forum also presented the "focus development areas" based on demand and potential of the industries to make an impact – namely Specialty Processed Food, Cosmetics and Personal Care, Halal Ingredients and Livestock.
- 18. The key emphasis delivered was the need for the business community of D-8, including within the context of OIC and leveraging on the strengths amongst the D-8 countries, to explore and appraise collaborative commercial opportunities to tap into the global industry.
- 19. In the Renewable Energy sessions the key concerns raised were the rising cost of energy and fuel and how D-8 can move as catalyst to spur a solution in the global arena.
- 20. The Forum explored the various aspects of the renewable energy sector and the opportunities that might be available for the private sector of D-8 to

have collaborative efforts; but by and large it was felt that the development of alternative energy projects would be more efficacious in implementation if it was a public-private partnership.

- 21. The private sector of the D-8 community, working in collaboration with their respective governments and through the coordination of the network of National Chambers of Commerce in D-8, will endeavour to have "follow through actions" beyond the forum to enhance the realisation of tangible collaborative business developments. The D-8 private sector will be organised in a more coherent manner through the network of National Chambers of Commerce and it will be better able to channel private sector inputs to the governments of D-8 in respect of realising greater levels of collaborations in trade and investment amongst the D-8.
- 22. In ending our report, we herewith submit two submissions for the consideration of the D-8 Council of Ministers;
  - We support a call for more collective "political will or push" within D-8 to create a charge on specific chosen directions and policies directed at selected business sectors and projects therein. It will be an effective trigger towards a series of collaborative intra-D-8 business developments. The "will or push" is an effective means to trigger the generation of momentum and the inertia that will ensure the continuity of substantive degree of collaborative business developments reflecting a truly D-8 Government– private sector collaboration for the benefit of the D-8 bloc.
  - We also support, perhaps if feasible, a call to have meetings of senior economic officials and Economic Ministers of the D-8 countries this will be an enhancement of efforts of D-8 in realising a dynamic trade bloc.
- 23. With the aforesaid submissions, we herewith end our presentation on the Report on D-8 Business Forum.

Thank you.

# STATEMENT BY H.E. DATO' SERI UTAMA DR. RAIS YATIM Minister of Foreign Affairs of Malaysia

# AT THE LAUNCHING OF THE INTERNATIONAL MEDIA CENTRE (IMC) FOR THE SIXTH D-8 SUMMIT, 5 JULY 2008, HILTON HOTEL, KUALA LUMPUR

Y.B. Dato'Abdul Rahim Bakri, Deputy Minister of Foreign Affairs, Malaysia,

Y. Bhg. Tan Sri Rastam Mohd Isa, Secretary-General of the Ministry of Foreign Affairs, Malaysia,

Mr Visvakumar Sangiah, Acting General Manager of the Malaysian National News Agency or Bernama,

Ladies and gentlemen,

It is a pleasure for me to be with you for the official launching of the International Media Centre (IMC) for the Sixth Summit of the Developing Eight Countries (D-8). The Ministry of Foreign Affairs, Malaysia, is once again tasked to organise this Summit in addition to other important events in the last three years including the Langkawi International Dialogue (LID) last year and the ASEAN Summit in December 2005. This will be the first time that Malaysia will act as host of the D-8 Summit which is held every two years. Malaysia will be taking over the Chairmanship of the D-8 at the coming Summit from Indonesia. We will assume the position for the coming two years before handing over the baton to another member country.

## Ladies and Gentlemen,

It has been I I years since the D-8, a grouping of developing Muslim countries was formed as a mechanism for development cooperation. At the outset of its formation, the member countries – Bangladesh, Egypt, Indonesia, Iran, Nigeria, Pakistan, Turkey, and Malaysia – agreed, among others, that the D-8 should become a catalyst towards fostering tangible and substantive economic cooperation among Muslim countries.

That goal remains equally important today for the grouping, whose combined population represents approximately 14 per cent of the world population. When the first D-8 Summit was held in Istanbul, Turkey on 15 June 1997, the single greatest challenge facing the eight member countries then was how to integrate with the global economy and maintain its Islamic identity at the same time.

Today, we are faced with new challenges in the form of runaway oil prices, the spectre of inflation and a looming world food crisis. These issues are of great concern to all our countries. The current situation is causing great hardship to all our peoples and underscores the importance of the D-8 countries working much more closely together to solve these problems which are common to us and to our partners throughout the world.

Let me cite the skyrocketing world oil prices as an example. Malaysia's position on the matter is that we would like to start the ball rolling and get the world to engage in a discussion to see how major oil producing countries, many of which are Muslim countries including those in the D-8 grouping itself, can play a more prominent and effective role in determining oil prices, instead of allowing the market players and speculators to have the last word on it. I have already raised this issue during the recent OIC Foreign Ministers' Meeting in Kampala, Uganda. Malaysia intends to raise this matter and voice out our stand on how the oil producing countries should determine prices at a fair level in all the regional and international platforms which we will be involved in.

The theme that has been chosen for the Sixth D-8 Summit is 'Meeting Challenges Through Innovative Cooperation'. This is most apt and appropriate. We can expect a lively meeting of minds and exchanges of ideas to take place between the leaders. I am certain that we will be able to come up with many new and concrete ideas as well as pragmatic and effective proposals which we can collectively implement.

For the Sixth D-8 Summit, leaders who have confirmed their participation include H.E. Dr. H. Susilo Bambang Yudhoyono, President of the Republic of Indonesia; and H.E. Dr Mahmoud Ahmedinejad, President of the Islamic Republic of Iran.

The delegation of Pakistan will be led by its Prime Minister, H.E. Makhdoom Syed Yousuf Raza Gillani. Bangladesh will be represented by H.E. Fakhruddin Ahmed, Chief Advisor to the Government. Turkey will be represented by its Foreign Minister, H.E. Ali Babacan.

Representing Egypt will be the country's Minister of State for International Cooperation, H.E. Mrs. Fayza Mohamed Aboul Naga. Nigeria will be represented by Mr. Raymond Nwobodo Okenwa, Permanent Secretary, Federal Ministry of Science and Technology.

The deliberations among the leaders in the Summit will be focused, among others, on a document called the 'Roadmap of Developing Eight Countries for Economic and Social Cooperation in the Second-Decade of Cooperation, 2008-2018'. This document was first discussed at the expert level meeting that was held in Bangka Belitung, Indonesia on 30 March to 1 April 2008. It is a guideline document for Member States to propose



Dato' Seri Utama Dr. Rais Yatim launching the International Media Centre

any projects for future cooperation. We also hope that the leaders will deliberate, and adopt the 'Kuala Lumpur Declaration' at the end of the Summit. The Summit on 8 July will be preceded by a meeting of the Commissioners which began today and will end tomorrow (4 - 5 July). The Ministerial meeting of the D-8 will convene on 6 July.

Meanwhile, the 10<sup>th</sup> Meeting of High-Level Trade Officials of the D-8 was held on Thursday 3 July at the sidelines of the coming Summit. The meeting, chaired by Malaysia, focused on the Rules of Origin (RoO) for the D-8 Preferential Trade Agreement (D-8 PTA). The D-8 PTA aims to accord preferential tariff concessions on selected goods among Member States, and is an agreement aimed at enhancing intra D-8 trade. For Malaysia, our trade with other D-8 Member countries is seeing a healthy increase. It stood at RM54.7 billion in 2007, an increase of 18.5 percent compared to the year before. We hope that the figure will continue to grow in future with closer intra-D-8 trade cooperation.

The Sixth D-8 Summit itself will be opened on Tuesday 8 July, with the Prime Minister of Malaysia, the Hon. Dato' Seri Abdullah Ahmad Badawi delivering the opening address. This will be followed by the handing over of the Group's chairmanship by Indonesia's President Susilo Bambang Yudhoyono to Dato' Seri Abdullah.

## Ladies and Gentlemen,

The role of the media will be crucial in this endeavour. Your reports and coverage will help generate interest and highlight the importance of the coming Summit. We count on you to inform the general public among your audiences, readers and listeners in the D-8 member countries and globally about the outcomes of the Summit.

As host, the Ministry of Foreign Affairs will do its best to provide the media with appropriate facilities to help you all carry out your duties effectively at the International Media Centre. So far, nearly 300 media personnel have registered with the IMC, including nearly 150 non-Malaysian media representatives from other D-8 Member countries. This is indeed a very encouraging number.

The official news agency for the Summit, the Malaysian National News Agency or Bernama, will make available its reports and photographs from its website, Bernama.com and Bernama Photo Web respectively. These can be accessed from the workstations and personal computers at the Press working area at the IMC.

The official broadcaster for the Summit, Radio Television Malaysia or RTM, has also set up basic TV facilities at the RTM work area to facilitate broadcasting requirements.

The setting up of the facilities for the IMC begins today, and the Centre will be fully operational from tomorrow, 5 July to 8 July, from 8 am to 10 pm daily. Selected documents of the Summit, including statements, speeches announcements and other vital information will be made available here, along with media advisories on briefings and Press Conferences that will be held throughout the Summit.

## Ladies and Gentlemen,

I hope that amid all the flurry of all your activities and the rush to meet both your daily copy and broadcast deadlines, you may at some point take a breather and venture and explore the various attractions offered by our beautiful city of Kuala Lumpur, whose hub is just a short hop away by Light Rail Transit. I also hope that your stay here will be productive and that your assignment here would be an enjoyable and fruitful one. I wish all of you the best and look forward to reading your articles. We pledge our full cooperation to ensure that your endeavours meet with success.

With the lafaz of bismillahir rahmanir rahim, I hereby open the International Media Centre for the Sixth D-8 Summit.

Thank you.

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