

Statement by
Dr. Seyed Ali Mohammad Mousavi
D-8 Secretary-General
at
The Second Trade Ministers Council Meeting of the PTA
17 February 2016, Islamabad, Pakistan

H.E. Mr. Khurram Dastgir Khan,
Chairman and Minister of Commerce of the Islamic Republic of Pakistan,
Hon'ble Ministers of D-8 Member States,
Distinguished Delegates, Ladies and Gentlemen,

Assalamu 'alaikum warahmatullahi wabarakatuh,

It is with great pleasure and appreciation I would like to register my gratitude to the Government of the Islamic Republic of Pakistan, especially to His Excellency Mr. Khurram Dastgir Khan, Minister of Commerce, for hosting **the Second Trade Ministers' Council Meeting of the Preferential Trade Agreement**. I also profoundly thank the organizers for such well-prepared meeting, bringing us to convene at this wonderful venue in the capital city of Islamabad. I would also like to express my appreciation to all delegates for their presence and for their contribution. Let me also welcome you to this meeting in my capacity as Secretary-General of the D-8.

Mr. Chairman,
Hon'ble Ministers
Distinguished Delegates,

I have mentioned in the Supervisory Committee meeting that global trade growth remained modest in the first quarter of 2015 increasing by 3.5% year-on-year, following three years of weak expansion. Annual increases in merchandise trade were small in that period, expanding by just 2.5% in 2014, 2.5% in 2013, and 2.2% in 2012. Exports of developing and emerging economies grew faster at 3.1% compared to those of developed countries at 2.0% in 2014. However, imports of developing countries grew more slowly than those of developed economies, at 1.8% compared to 2.9%.

For D-8, the intra-trade volume had declined in 2013 and 2014 to US\$133 billion and US\$122 billion, respectively after enjoying a steady growth of 16.6% from US\$20

billion in 1997 to US\$122 in 2014 since its establishment in 1997. The highest level was recorded in 2012, reaching almost US\$150 billion.

Mr. Chairman,
Hon'ble Ministers
Distinguished Delegates,

In the first Trade Ministers' Council meeting held in June 2013 in Abuja, Nigeria, the D-8 Trade Ministers agreed to, inter alia, expedite the process of ratification by remaining Member States, work on achieving the target set out in the D-8 Roadmap, examine issues pertaining to trade facilitation and barriers, enhance interaction between the national investment, trade promotion agencies, Chambers of Commerce and Trade Associations of the Member States, to facilitate a conducive environment for doing business, encourage D-8 Federation of Chambers of Commerce and Industry (D-8 FCCI) to render its services to enhance private sectors contributions to the work of D-8 especially in trade, inter alia, through convening annual meetings of D-8 Chambers of Commerce and Industries, as well as organizing business forum in the sidelines of each relevant sectoral ministerial meeting, ensure optimum utilization of private sector capacity, submit revised Offer Lists (transposed to HS Code 2012) by all Member States to the D-8 Secretariat by 31 July 2013.

Now, **Excellencies, ladies and gentlemen**, in view of the statistic presented above, the intra-trade target is not an easy task to achieve. Much was not done to attain this objective in the past years since Abuja meeting. Except for the 3rd Supervisory Committee Meeting in early 2014 in Ankara, there was no activity to cater to the commitments and objectives. Nevertheless, I do believe that it will only inspire us to do our best and take necessary measures to boost the D-8 intra-trade in coming years. In this respect, I trust that the PTA will act as the catalyst and more importantly as the main vehicle to increase trade among the D-8 Member States.

For more active role on the part of D-8 FCCI, I took personal initiative to convince the National Chamber of Commerce and Industries of Malaysia for their consideration to convene a D-8 Private Sector meeting. As a consequence, the series of events involving D-8 private sector is adding momentum. This, however, is being experienced after we have already passed valuable time. For the Offer Lists, good thing to note that all contracting parties to the PTA have submitted their lists which were duly circulated among the Member States. I have highlighted in the Supervisory Committee meeting the

importance of reasonable expansion of the offer list in order to create significant attraction for D-8 private sector.

Mr. Chairman,

At this juncture, I would like to highlight some significant breakthrough in the Supervisory Committee meeting. Most of the Member States have expressed their readiness for implementation of the D-8 PTA; Pakistan volunteered to host the customs working group meeting in Islamabad in order to expedite operationalization of the Rules of Origin; the ad hoc Working Group made some progress on finalization of the draft Dispute Settlement Document; and most importantly, 1st July 2016 has been agreed upon as the implementation date of the D-8 PTA. I hope this outcome will define the nature of our interaction in days ahead.

I hope that Islamabad Declaration of D-8 Trade Ministers will not only add momentum to the trade cooperation, it will set forth strategic action plan with a time frame for achievement of our short-, medium- and long-run objectives and targets. The most important challenge as well as opportunity ahead of us is fulfilment of intra-trade target of US\$ 500 billion, which will not only establish a strong network of economic actors but also will contribute to the betterment of life and living of our peoples in the region. For this, I reiterate pivotal importance of active and effective collaboration between D-8 governments, agencies, and private sectors. We are sure to succeed only if we continue to strengthen our strategic partnership.

Mr. Chairman,

Hon'ble Ministers,

Distinguished Delegates,

The most concrete outcome of the Abuja meeting was when the Ministers agreed 1st November 2013 as the new cut-off date for the actual implementation of the first installment of tariff reductions by the Contracting Parties. Although the impact has yet to surface, this meeting may consider setting non-extendable time frame for other commitments and obligations in order for us to promote the provisions of the PTA. Properly planned arrangements on D-8 PTA is crucial in promoting trade and economic integration among the D-8 Member States. I hope the Ministers would devise a comprehensive action plan for immediate implementation through a series of events.

Once again, I thank the Government of the Islamic Republic of Pakistan for hosting this important meeting and for their hospitality and I wish you all success.

Thank you very much for your attention.

Wassalamu'alaikum warahmatullahi wabarakatuh.