

**Report
of the Fourth Meeting of the
Supervisory Committee
of the
Preferential Trade Agreement
Among D-8 Member States
16 February 2016
Islamabad, Pakistan**

The Government of the Islamic Republic of Pakistan hosted the Fourth Meeting of the Supervisory Committee of Preferential Trade Agreement among D-8 Member States in Islamabad, Pakistan, on 16 February 2016. Delegates from 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 as Contracting Members and the People's Republic of Bangladesh and the Arab Republic of Egypt as Member States attended the meeting. List of participants is attached in **Annex I**.

1. Welcoming Remarks by the D-8 Secretary-General

D-8 Secretary-General, H.E. Dr. Seyed Ali Mohammad Mousavi, made welcoming remarks (**Annex II**).

2. Opening Remarks by the Chairman of Supervisory Committee

The Chairperson of Supervisory Committee, H.E. Ms. Robina Ather delivered opening remarks.

3. Consideration and Adoption of the Agenda

The Committee adopted the agenda of the meeting as in **Annex III**.

4. Statement by the Heads of Delegations

Representatives from Member States made their statements and delivered their country-reports regarding the latest development of implementation of the PTA.

5. Presentation of the current state of the implementation of the PTA

In his introductory remarks on this agenda item, D-8 Secretary General presented an update of the current status of the PTA (**Annex IV**). Subsequently, Chairperson opened the floor for comment and update on the implementation of the PTA to the Committee.

The representatives of the member states briefed the committee on their current state of the implementation of the PTA as follows:

Bangladesh:

Delegation of Bangladesh apprised that they are working on the ratification while they are waiting for the resolution of Rules of origin issue.

Egypt:

Egypt still maintains its reservation concerning 40 percent value added criterion adopted previously by the majority of Member States.

Indonesia:

Indonesia is in the process of completing internal procedure for implementation of the PTA.

Iran:

Delegation of Iran briefed the Meeting that Iran is ready to implement the PTA.

Malaysia:

Malaysia is ready to implement the PTA as they have already completed all internal procedures.

Nigeria:

Nigeria is ready to implement the PTA.

Pakistan:

Pakistan is ready to implement PTA very soon.

Turkey:

Turkey briefed the Meeting that gazette notification has already been done and Turkey is ready to implement the PTA.

The Meeting agreed **1st July 2016** as the implementation date of PTA. The meeting also requested all Parties to complete their internal procedure before 1st July 2016 in order to implement the PTA.

6. Discussion on the draft “Dispute Settlement” Document

The Supervisory Committee established an ad-hoc working group to resume discussion on the consolidated Dispute Settlement document. The Working Group worked intersessionally to finalize the draft document. The final text of Dispute Settlement document is attached in **Annex V**.

The meeting decided that the Supervisory Committee should continue its work on the consolidated draft Dispute Settlement document to finalize it in the next meeting. The meeting also decided that the special session of the Supervisory Committee under the chairpersonship of Pakistan would convene in May 2016 in Istanbul.

7. Consideration of the Proposal of Bangladesh Regarding their Request to have 30% Local Value Addition Criteria for LDCs

Delegation of Bangladesh brought their proposal to the attention of the Meeting. Bangladesh requested Member States to consider the proposal to have 30% Local Value Addition Criteria for LDCs as agreed in Trade Preferential System (TPS) amongst the OIC Member States. The text of proposal is enclosed at **Annex VI**.

After having deliberations amongst the delegates, the meeting agreed to take up the case in next supervisory Committee Meeting. The meeting also requested Bangladesh to present a concept paper on the issue and reflect, among others, on the following queries:

What the nature of S & D Treatment under others forums enjoyed by LDCs is;

What legal changes are involved if member states agree on Bangladesh proposal; and

What is the legal position regarding this proposal by Bangladesh when they have not yet ratified the PTA.

8. Discussion on Rules of Origin

Most of the Contracting Parties were in the process of operationalization of the D-8 PTA Rules of Origin procedures. The Meeting urged all Contracting Parties to expedite operationalization of the Rules of Origin procedures.

The meeting also recognized the necessity of Customs working group to meet to discuss implementation issues regarding the Rules of origin. Pakistan volunteered to host the customs working group meeting in Islamabad within three months.

9. Exchange of views on the Third Trade Ministers Council Meeting

The Meeting exchanged views on the Third Trade Ministers Council Meeting with regard to the proposed agenda, date and venue of the Meeting. The delegates exchanged views on various aspects of the issue under this agenda item and after having detailed discussions, delegation of Malaysia graciously accepted to consider hosting the 3rd Trade Ministers Council and 5th Supervisory Committee meetings in 2017. The Secretariat will communicate to all member states regarding the details on the date and venue of 5th Supervisory and 3rd Ministers Council Meeting.

10. Date & venue of the Fifth Meeting of the Supervisory Committee

Exact date and venue of the next meeting of the Supervisory Committee will be communicated to the D-8 Secretariat by the next host through diplomatic channels.

11. Any Other Business

The meeting discussed and finalized the “Islamabad Declaration” and proposed for adoption by the Trade Ministers Council (**Annex VII**).

12. Presentation and adoption of the Report of the Fourth Meeting of the Supervisory Committee

The Report of the Fourth Meeting of the Supervisory Committee was discussed and adopted.

13. Closing

In her Closing Remarks, the Chairperson expressed her profound thanks and appreciation to all delegates for the productive discussions and commended the constructive outcome of the deliberations.

Participating delegates conveyed their profound gratitude to the Government of the Islamic Republic of Pakistan for hosting the Meeting, and warmly thanked H.E Ms. Robina Ather for her competent chairing. The Meeting also appreciated the Secretariat for its valuable work.