

REPORT OF THE COUNCIL OF D-8 FOREIGN MINISTERS IX. SESSION
(11 May 2006, Bali)

1. The IX. Session of the Council of Ministers met on 11 May 2006 in Bali/ Indonesia. H.E. Dr. Hassan Wirajuda, Minister for Foreign Affairs of the Republic of Indonesia, after having greeted his colleagues, stated that this meeting of the Council was taking place at a time as the globalization continued to render developing countries more vulnerable to the growing volatility in international economic situation and that the Summit therefore provided an opportunity to find new ways of tapping the vast potential of D-8 cooperation. He added that D-8 should, to this end, take concrete measures that would enhance trade and investment relations and optimize as well the capabilities of the D-8 Group. Referring to the Preferential Trade Agreement and the Multilateral Agreement on Administrative Assistance in Customs Matters which are planned to be signed in the course of the Summit, he pointed out that these Agreements would make a significant contribution to the expansion of D-8 intra-trade. In this context, he also said that the strengthening of D-8 Secretariat would be needed to cope with new and additional responsibilities to be conferred upon.

2. In his statement, to hand over the Chairmanship of the Council to his Indonesian colleague, H.E. Mr. Manouchehr Motaki, Minister of Foreign Affairs of the I.R. of Iran, referred to a number of challenges confronted by the D-8 Group in view of the turbulent international conditions and the process of globalization. He said that given the immense natural and human resources as well as diverse and complimentary economies of its members, the D-8 Group should play a more active role in world affairs to avoid being marginalized. Evaluating the progress achieved by the Group since its inception, he cited the establishment of D-8 Industrial and Technological Web-Site, the signature of the Visa Agreement, recently concluded Agreements of Preferential Trade and Customs Cooperation together with a significant number of expert meetings and workshops convened in several areas such as energy, trade, industry, shipping, banking, agriculture, environment etc. On the other hand, he also emphasized the importance of establishing relations with international organizations and agencies in order to seek their financial and technical assistance and cooperation. Finally, he underlined the need to strengthen the D-8 Secretariat in order to expand and deepen D-8 cooperation. The Ministers while appreciating the efforts of the I.R. of Iran to enhance D-8 cooperation during his tenure of Chairmanship congratulated at the same time the Indonesian Foreign Minister for assuming the Chairmanship of the Council.

3. The Council adopted the draft Agenda as recommended by the Commission.

4. The Executive Director Ambassador Ayhan Kamel delivered his statement, covering certain international issues also of direct concern for the member countries and D-8 activities undertaken since the Tehran Summit.

5. The Chairman of the XIX Session of the Commission Ambassador Ali Reza Sheikh Attar and the Chairman of the XX. Session Ambassador Slamet Hidayat presented the reports of these meetings.

(A) Concerning the subject of the Strengthening of the Secretariat as referred to in the Report of the XX. Session of the Commission, the Ministers undertook extensive discussions and reached the following conclusions:

a) For the first two years term, the Secretary General will be appointed by the Council of Foreign Ministers from among candidates of the interested members on a secondment basis. All costs for the Secretary General will be borne by the seconding member country. So far, three member countries have indicated their interest. It was also decided that these interested countries will have consultations among themselves to produce one candidate.

b) The Secretary General will be assisted by a Director and an Economist. All costs for them will be borne by the seconding member countries concerned.

c) Secretary General, Director and Economist will not be from the same country.

d) After two years, Secretary General will be elected by the Council of Ministers. He will be elected by the Council from among the candidates nominated on his merits for a period of four years. The salaries of the Secretary General, Director and Economist will be covered from the budget of the Secretariat with the understanding that the existing contributions will accordingly be adjusted.

e) The Turkish Government will continue to provide the existing facilities in Istanbul for the use of the Secretariat. The Secretary General will offer his services at the headquarters.

(B) In the context of the Report of the Commission, the Ministers reiterated the importance of facilitating the contacts between businessmen for the expansion of the trade and economic relations. They stated that the ratification of the Visa Agreement by those countries, which have not done so, should therefore be expedited for the entry into force of the Agreement at an early date.

6. The Ministers approved the Provisional Agenda and Program of Work of the Summit to be submitted to the Heads of State and Government.

7. Mr.Mohammad S. Hidayat, President of the Indonesian Chamber of Commerce and Industry, presented the Report of the Third Business Forum.

8. The Ministers considered and approved the draft Bali Declaration to be submitted to the Summit.

9. Side Events: The D-8 Trade Fair and Balinese Bazaar, which was organized by the Republic of Indonesia on 9-13 May 2006, was inaugurated by the Indonesian Trade Minister. The members of the Council paid a visit to the D-8 Trade Fair.