

**OFFICE OF THE EXECUTIVE DIRECTOR**  
Müşir Fuad Paşa Yalısı, Eski Tersane, Emirgan Cad.  
No:90 İstinye 34460 İstanbul/TURKEY

Tel: (90) (212) 277 55 13  
Fax: (90) (212) 277 55 19  
Web-site: [www.developing-8.net](http://www.developing-8.net)

*A GLOBAL ECONOMIC GROUP*      *FOURTH SUMMIT, TEHRAN 2004*      *18 February 2004*



## **FOURTH SUMMIT MEETING**

*Tehran*

*18 February 2004*

# FOURTH SUMMIT MEETING

77

*Tehran*

*18 February 2004*

OFFICE OF THE EXECUTIVE DIRECTOR  
Istanbul, March 2004



# **PART I**

## **STATEMENTS**

### **BY THE HEADS OF DELEGATIONS**



**STATEMENT**

**BY**

**H.E. MR. SEYED MOHAMMED KHATAMI**

**PRESIDENT OF THE ISLAMIC REPUBLIC OF IRAN**



*In the Name of God the Compassionate the Merciful*

Honorable Heads of States Members of D 8,

Excellencies,

Distinguished Guests,

Ladies & Gentlemen,

In the name of “Iran” I honor your valuable presence in this ancient cradle of civilization and as a “Moslem” I sincerely praise the unyielding endeavors of D-8 on its fresh drive towards progress and development in Islamic and other countries.

The concept of development is nothing new in the history of mankind. Though, “the right of development”, no doubt, is a fresh concern in our world. Thus, to attain such basic right, we should start fresh endeavors in quest for it.

In the area of philosophical thinking and in particular political philosophy, the enigma of justice is but the most important question boggling the minds of philosophers and scholars. The quest for justice is inherently finds niche in the depth of every human being’s conscience. This longstanding



concern must be even greater amongst us, Moslems. We have clearly heard the message of God in holy Qoran that the rise of prophets and revelations of Bibles and Scale all were aimed at reinstatement of justice and equality amongst people.

Justice is not only a mere ethical and judicial concept; rather it is an all- encompassing and influential concept affecting the path to development. Justice, rather than being as a mere aspiration, lays the basis for all tangible factors involving progress and development. The most righteous Government is a government that mobilizes its thrust to fight against injustice and opens the way to equal opportunities wherever and for whomever. Thus, the concept of justice is associated with facilitation and promotion of freedom, democracy and development.

The greatest challenges of mankind today is nothing short of attaining those very ancient and admonished rights and aspirations: removal of discriminations and inequality, attainment of freedom and basic rights, overcoming backwardness and underdevelopment. With utmost regret, one should admit that the minimal attention presently thrown to such challenges does not open up a bright prospect before our contemporary world. Even fundamental developments in technology and communication falls short of reducing deep global gaps occurring in unjust circumstances.

The divide among “have”s and “have not”s could widen in the face of unjust and incumbent relations of the information age. Therefore, we need to open the way towards justice by delving into such untenable circumstances. In the light of this people will live in freedom, democracy takes root and the mankind endeavors to promote spirituality and ethics.

**Distinguished Colleagues,**

One billion people or roughly 16 percent of the world's population possess 80 percent of the total GDP of the world. Also, more than a billion live in hardship and misery with a salary of one dollar or less. During the next quarter century one and a half billion more will be added to the population of poor countries while during the same period wealthy countries will add fifty million to their present population

The societies which we represent each, by and large, has a record of struggles and endeavors to attain freedom, independence, progress and self-esteem. But one cannot expect freedom and democracy to last unless there are no poverty and scientific and technical handicaps.

The Fourth D-8 Summit is held at a juncture when we are able to attain elements of progress and eminence despite existence of coercive unilateralism and unholy efforts to speculate wealth and monopolize knowledge and technology. Our age even though is labeled as the age of divides, at the same time provides the chances to reduce such divides. Though we have to admit that in today's integrated world no single country in isolation is not able to face immense challenges and obstacles on its way to growth and development and to catch up with the accelerating pace of growth in prosperous countries.

To confront today's difficult challenges, we need to ally with those countries who share common background with geo-strategic proximity, those who face common threats and also those who share common goals and interests.

Owing to such attitude, the D-8 Group member States have gathered here to benefit from one another's complementary capabilities towards furthering growth and development and attaining thrust and wherewithal necessary to assure development, justice and freedom.

The D-8 countries have a total population of close to,900 million or roughly 15 percent of the total world population, a large portion of which is composed of mostly young and energetic people. Besides, 13 percent of the world proven reserves of oil and 28 percent of the proven reserves of natural gas belong to them in addition to diverse natural assets and capabilities, demographic and geo-strategic position that enrich and expand their potentials. Islam as, a religion of freedom and justice together with our common history have all provided solid ground for cooperation. Such backgrounds provide an eternal underpinning towards development, including economic development. This strong momentum provokes us to move decisively towards unification of our markets that eventually leads to a free and common market. To achieve clear goals ahead of us, we naturally need to organize expert meetings of the member States in a dynamic and efficient manner.

Concurrent with removal of barriers to economic, trade and scientific cooperation, we have to increase the competitive edges of our member States in international markets. This matter necessitates exploitation of new technologies for increasing efficiency in all walks of life including economic system. With the removal of obstacles to cooperation and integration the D-8 members can play ever greater roles in the global economy as well as in promoting their relations with the industrial countries.

Since its birth, the Group has achieved considerable growth in its intra-trade rising by around 50 percent. Thus we are promised to attain an enhanced role in international economy through conclusion of a preferential trade agreement while rendering additional efforts towards joint ventures and joint implementation of infrastructure projects in areas of transport, education and culture.

Islamic Republic of Iran as an active member of the D-8 is prepared to embark upon cooperative relationships with other countries while serving national and regional interests. Our

specific proposal to overcome obstacles and difficulties is primarily based on institutionalization of free trade and banking systems within the Member States through which a conducive environment is created to facilitate investment. Along this, the existing laws and regulations should be revisited to pave the way for cooperation amongst private sectors in Member States. Secondly, we should assume common stances in international forums vis-à-vis economic, political, cultural and international issues. Accordingly, rendering support to one another leads to the Group's consolidation and success in international scene. To achieve this, we need to phase in a dynamic structure within the D-8 Group to pursue global developments and at the same time formulate proper mechanisms and strategies to promote the Group's strategic objectives. Such mechanisms may tend to sway the balance in relationships existing between developed and developing countries in favor of the latter.

It is hoped that our common understanding of global regional and national crises and the respective unified stances to confront them result in greater participation of the developing countries in international fora. In fact, to promote a just environment, in areas such as international trade and ODA(standing at the lowest level since 1960's) as well as investment inflows to developing countries, we need to embark upon fresh efforts everywhere and from every direction.

Islamic Republic of Iran has made extensive efforts in order to assure a more effective presence in international markets and in cementing cooperation with economic and regional groupings such as ECO, D-8, Islamic Conference Organization, etc. Such efforts include reform of the economic structure and application of measures such as removal of non-tariff barriers, amending trade laws, facilitation of transit trade, ratification of the new investment law, amending tax laws and unification of customs taxes and excises, installing automated system of customs data and acceleration of the process of

privatization. They all level the playing field for greater degree of integration and cooperation with our partners.

We hope that other countries, too, try to remove possible barriers to common cooperation through which they can assure a bright prospect for themselves and other countries and present D-8 as a new role model.

Frankly speaking, we are in quest of scientific, technical and economic power and we foster cooperation in that context. Though, the said power is intended to widen equality rather than inequality; it is intended to foster integrity, co-existence and development, rather than aggression; to promote amicability and to refute violence rather than to impose a particular attitude.

To promote peace, to prevent wars, to restore freedom and justice, to attain progress, we all need to acquire knowledge and empower ourselves. I have no doubt that we will be able to do that only if we learn the lessons taught throughout the past ages and grab the opportunities around us. Let's rely on the eternal blessings of Allah and on infinite power of the people and let's chant along the Moslem poet, Iqbal who composed his poems in Persian:

Life in its proper shell is to create pearl;  
to immerse in flames and to withdraw unburned;

The religion of those vivid by heart shall not be a nightmare;  
Is but to build another world from this very soil.

I wish you all the success and victory.

**STATEMENT**

**BY**

**H.E. MADAM MEGAWATI SOEKARNOPUTRI  
PRESIDENT OF THE REPUBLIC OF INDONESIA**



**Mr. Chairman,  
Excellencies,  
Distinguished Delegates,**

**At the outset, allow me to convey, on behalf of the delegation of Indonesia, our sincere gratitude and appreciation to the Government and people of the Islamic Republic of Iran for the warm welcome and generous hospitality accorded to us since our arrival in this beautiful city of Tehran, and for the excellent arrangements for this Summit.**

**Permit me to also express our high appreciation to the Government of Egypt, for chairing our Group during the last three years with exemplary leadership it has demonstrated in fostering stronger unity and closer cooperation among Member Countries of the D-8.**

**May I also avail myself of this opportunity to extend once again the heartfelt condolences of the Government and people of Indonesia on the tragedy that recently befell the people of Iran when a mighty earthquake struck the city of Bam, killing thousands and wreaking massive destruction. We join the bereaved families in their grief, and fervently pray that Iranian people speedily recover from the impact of this tragedy.**



**Mr. Chairman,  
Excellencies,  
Distinguished Delegates,**

**Since our Summit in Cairo three years ago, the world economy has shown signs of improvement, and yet it has been occurring at a slow pace. The failure of the WTO in Cancun in building a consensus that would allow developing countries a more equitable participation in international trade and the newly emerging challenges such as international terrorism, the outbreak of deadly epidemics, the persistent Middle East conflict, and the crisis in Iraq have frustrated economic recovery and have further compounded the yet unresolved difficulties.**

**This situation has further undermined the capacity of developing Countries to build their competitiveness, and made them even more vulnerable to the negative effect of globalization. It is therefore essential that international economic cooperation be enhanced through multilateral forums such as the D-8 so that ways may be found to enable us to cope with the prevailing situation.**

Hence, our meeting today is indeed timely and auspicious. We can make this an occasion for a review and evaluation of the work of our Group since its establishment in 1997. We can also devise ways of strengthening our cooperation and concrete activities. It is also within this spirit that Indonesia welcomes the recommendation of the Commission on the revitalization of D-8 cooperation.

We agree that we should formulate new strategies, policies and concepts for our cooperation that are more focused, feasible and capable of directly benefiting our peoples. Our cooperation should also enable us to participate more actively in the process of globalization and liberalization as well as to respond to and address effectively the basic problems of poverty and underdevelopment. The poverty eradication is the key to achieving sustainable development and fulfilling the development goals of the Millennium Summit Declaration and Agenda 21.

Admittedly, our obstacle to resolve the problem is the fact that we are unable to control necessary resources, particularly in obtaining access to technology and financial resources.

We have all noted that it is not easy for us and the other developing Countries in general to break free from those

difficulties. After all, to cope with them, what we now deem to be the most fitting is indeed none other than to intensify cooperation, especially in trade and its financing as well as in socio-cultural activities that will inspire our societies to care more for each other. It will also be necessary to promote coordination of our positions in multilateral negotiations, and encourage closer collaboration among our representatives and delegations in the international forums.

We must also continue to encourage our private sectors to play a more active role in enhancing D-8 cooperation. Hence, we welcome the convening of a Business Forum during this Summit as a way of bringing together our business communities. I hope that they will strike up joint ventures that will benefit our peoples.

Mr. President,

Before I conclude, I wish to raise the issue of the next Chairmanship of the D-8. Last year, we requested Iran to replace Indonesia to chair the Group and host the Summit due to unfavourable circumstances prevailing in our country. We are sincerely grateful that Iran accepted our request. As the situation in Indonesia has been improving, we are now willing to

**assume responsibility of the chairmanship and to host the next Summit in 2006. We make this offer as our firm commitment to the work of our Group.**

**Finally, let me assure you that Indonesia supports all efforts at strengthening cooperation among our Members. In the face of formidable challenges, we must indeed cooperate to re-organize our agenda for greater effectiveness, efficiency and benefits. We must do so with total clarity of purpose and commitment to action.**

**I thank you, Mr. Chairman.**

**Tehran, 18 February 2004  
PRESIDENT OF THE REPUBLIC OF INDONESIA**

**MEGAWATI SOEKARNOPUTRI**



**STATEMENT**

**BY**

**H.E. MR. CHIEF OLUSEGUN OBASANJO GCFR**

**PRESIDENT OF THE**

**FEDERAL REPUBLIC OF NIGERIA**



Your Excellency, President Mohammed Khatami of the Islamic Republic of Iran,

Your Excellencies, fellow Heads of State and Government, Distinguished Ladies and Gentlemen.

I wish to express on behalf of my delegation, our sincere appreciation to you, Mr. President, the Government and people of the Islamic Republic of Iran, for the warm hospitality extended to us since our arrival in this historic and beautiful city of Tehran. Mr. President, let me seize this opportunity to congratulate you on your assumption of the Chairmanship of our Organization. I have no doubt that you will bring your wealth of experience to positively re-focus the Organization towards the achievement of its desired objectives and aspirations. I should also thank my friend and brother, President Hosni Mubarak of Egypt, for successfully steering the affairs of this Organization for the past two years.

I wish to express once more, on behalf of the Government and people of the Federal Republic of Nigeria, our heartfelt condolences to you and through you, to the Government and the people of the Islamic



Republic of Iran on the tragic earthquake which struck the historic city of Bam last December.

In a globalizing world, developing countries remain marginalised. The world economy continues to be characterised by increasing inequality between the rich and poor, with the assets of the three richest people in the industrialised world higher than the income of 600 million people in the poorest countries. Diseases such as malaria, tuberculosis, and the HIV/AIDS pandemic continue to ravage the developing world. Millions of children in developing countries do not receive basic education, and are undernourished.

Mr. Chairman, as I look around this room at the membership of the D-8, I see representatives of diverse cultures, languages and religions. As leaders of major developing countries, we all see and feel the challenges posed by globalisation. We all have collective stake in ensuring that globalisation works to the prosperity of all people. These concerns have brought us together for the good of our people and the world.

Events since our last summit in Cairo, particularly the failure of the WTO Fifth Ministerial Conference in Cancun and the deteriorating financial conditions of

developing countries have underscored the need to strengthen and revitalize cooperation among ourselves. Nigeria supports the ongoing efforts to reposition the D-8 and streamline its activities to enhance efficiency and effectiveness to achieve our desired objective of rapid development. It is heartening to note that between 1999 and 2002, D-8 intra-trade has grown by 50%. Nevertheless, a lot still needs to be done to ensure that all the necessary conditions for accelerated trade are worked out.

Mr. Chairman, It is obvious that our efforts at self improvement require partnership with the industrialised countries, particularly in terms of resource flows and relief from the excruciating effects of the debt burden, which afflicts many of us. Right from the late 1940s, development economists recognised that underdevelopment traps cannot be overcome without significant resource transfers from the richest to the poorest countries of the world. Official Development Assistance (ODA), World Bank initiatives and other forms of development aid, have failed to address the issue of poverty and inequality in the global system.

I should also make reference to the agricultural sector which remains the bedrock of our rural population. It is

necessary that we have access to each other's best practices in agriculture as a way of promoting the welfare of these rural populace in our various countries. I am happy to note that my country has recorded tremendous progress in the past year.

Partnership with the private sector is an indispensable factor in national efforts toward sustainable development. We must therefore find ways of strengthening the participation of the private sector in our Organization.

Nigeria, you will recall, was assigned the responsibility of coordinating all D-8 issues on energy development and utilisation. Pursuant to that assignment, Nigeria successfully hosted the D-8 Expert Working Group Meeting on Energy in April 2001 in Abuja. The report and the communiqué of that meeting, I am aware, have been adopted by the Commission. Following that, Nigeria was further given the task of creating a web-site for the exchange of information and documentation of a catalogue of experts and institutions with specialization in the various areas of renewable energy resource development within the D-8 member states. I hereby assure you that the necessary

administrative works have been completed and we hope to accomplish this task before the end of this year.

In conclusion, Mr. President, permit me to observe that our Organisation needs to improve its capacity for the implementation of our decisions. There is no gainsaying that we realise our tied destiny and are therefore bonding together to salvage our situation. What remains is for us to commit ourselves to our own prescriptions for self improvement.

Thank you for your attention.



**STATEMENT**

**BY**

**H.E. MR. AHMET NECDET SEZER**

**PRESIDENT OF THE REPUBLIC OF TURKEY**



**ADDRESS BY H.E. AHMET NECDET SEZER,  
PRESIDENT OF THE REPUBLIC OF TURKEY,  
AT THE FOURTH SUMMIT OF HEADS OF  
STATE/GOVERNMENT OF THE DEVELOPING  
EIGHT COUNTRIES (D-8)**

(TEHRAN, 18 FEBRUARY 2004)

H.E. Muhammed Hatemi, President of the Islamic Republic of Iran,  
Honourable Heads of State and Government,  
Distinguished Ministers,  
Distinguished Delegates,

It is an honour to be in Tehran and to address you on the occasion of the Fourth Summit Meeting of the Heads of State/Government of the Member States of D-8 . First of all, I would like to extend my sincere thanks to our host Iran for the successful organization and hospitality, and convey the best wishes of the Turkish people to the brotherly and friendly people of Iran. I would like also to congratulate Egypt for her successful D-8 Chairmanship since our third Summit Meeting held in Cairo.

We have all been saddened by the earthquake calamity that befell our neighbour Iran. On behalf of the Turkish people, I wish to express my deepest sympathy and heartfelt condolences to the bereaved families of the victims of this tragic earthquake.

In the past decade, parallel to the globalization of the world economy and the rapid developments in the information technologies, a broader interdependence among our societies has been created. The process of globalization is presenting new opportunities as well as new challenges to all of us.

After the failure of World Trade Organization Meeting at multilateral level in Mexico last year, efforts to create a main mechanism for trade liberalization have been inconclusive. As a result of that, international and regional cooperation organizations and groupings have assumed a new significance and they have emerged as complementary means in the global integration. For that reason, it is incumbent on us to develop our cooperation in order to alleviate the negative effects of globalization and to make best use of the possibilities that globalization has to offer.



Closing the gap between the developed and developing world both in economic and political terms will be one of the greatest assurances for world peace. To attain this long term goal the first steps must include promoting a better mutual understanding and dialogue among different civilizations in a bid to free the minds of prejudices and deceptive generalizations. For the Muslim countries to be better understood in the Western world, it should be unequivocally manifest that those who commit violence under the alleged pretext of our religion do not represent our venerable faith. The allegation that there exists an antagonism between Islam and the West emanates from a misleading simplification. There are people on all sides who are deceived by this fallacy.

In this regard, we attach importance to the D-8 initiative, which has been launched and furthered in a spirit of genuine friendship, understanding and cooperation. I am confident that D-8 has a high potential to contribute much to the economic welfare and happiness of our peoples by attaining its noble objectives based on the principles, “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”.

There are potentials for a more comprehensive and fruitful cooperation within the D-8 which is vested with vast natural resources and a population of more than 800 million people inhabiting three continents. However, it is also true that D-8 has not yet covered sufficient ground to achieve its goals. The fact that the foundations of D-8 were laid down only seven years ago and is one of the factors which occasioned that. Up until now, D-8 has fulfilled useful functions and has gained several assets. Our common desire continues to be the further development of D-8's visibility and effectiveness and to ensure that it can contribute more to the prosperity of our countries. At this stage, I firmly believe that we need specially is a revitalization of our cooperation.

We all know that we need to increase trade and investment among our countries. Liberalization of intra-D-8 trade through gradual removing tariff and non-tariff barriers is a priority task before us. The participation of the private sector in the activities of the D-8 is of crucial importance for our efforts to be successful. The dynamism of the private sector will surely give a new momentum to the activities of the D-8. It is important to create an environment in which the private sectors of our respective countries can interact and cooperate. As a

significant step in this direction, the Second Business Forum, organized on the 14th and 15th of February in Tehran has definitely given a boost to the involvement of the private sector in the D-8 activities. Business Forum will continue to have a pioneering role for increasing trade among our countries.

Small and medium sized enterprises are still constituting the core of our economies. For that reason, cooperation among the SMEs has utmost importance. Turkey, as the coordinator country in the field of industry, proposed a programme of action for SME's amongst D-8 countries, which was endorsed at our Third Summit. We believe that through the implementation of the programme, the role of SME's in our development efforts will be enhanced.

The priority project in the field of industry was indeed the realization of an aerial pesticide aircraft. The first prototype of the aircraft has been manufactured and successfully tested by the Turkish Aerospace Industries. We believe that we need to act jointly and ensure that financial and market potential requirements are met and in order to initiate its serial production.

Turkey also attaches importance to other D-8 projects developed in different fields of cooperation such as Trade, Telecommunication and Information, Agriculture, Finance-Banking and Privatization, Poverty Alleviation and Human Resources Development, Rural Development, Energy and Environment. We happily observe that since its creation, around 50 projects have been realized in the form of workshop, seminar, expert group meeting and training program in the fields of cooperation. Most of those projects are mainly designed to exchange experience, expertise and know-how amongst the member countries, which constitute an important base for our further cooperation.

At our last Summit, the D-8 Commission was instructed to consider establishing institutional relationship with certain international/regional organizations. We appreciate the efforts of the Commission and Executive Director to pursue and initiate contacts with various international/regional organizations in line with the decision of the Summit. Thus, D-8 would benefit from the experience of the other organizations as well as from their financial and technical resources.

We believe that D-8 will be one of the important groupings of the integrated world economy. I would like to reiterate once more that Turkey remains committed to the aims and objectives of D-8 enshrined in the Istanbul Declaration. Turkey will continue to make every effort in order to attain D-8's goals.

Before concluding my remarks, I would like to express our appreciation to Ambassador Ayhan Kamel, Distinguished Executive Director of D-8 and his very small but able staff for their most valuable works. I believe that you would join me in appreciating the work of the Executive Director's Office in Istanbul. This Office is in fact doing the work of a fully functional Secretariat. The experience of the past seven years has shown that this unit should be transformed into a small and effective permanent Secretariat with an adequate number of professionals.

We sincerely believe that during Iran's Chairmanship we will celebrate new common achievements. I would like to extend my sincere thanks for the hospitality and my best wishes for the prosperity and well being of our peoples.

Thank you.

**STATEMENT**

**BY**

**H.E. MR. DATO' SERI ABDULLAH HAJI AHMAD BADAWI**

**PRIME MINISTER OF MALAYSIA**



**STATEMENT BY THE HONOURABLE  
DATO' SERI ABDULLAH HAJI AHMAD BADAWI  
PRIME MINISTER OF MALAYSIA  
AT THE FOURTH D-8 SUMMIT  
TEHRAN, ISLAMIC REPUBLIC OF IRAN  
18 FEBRUARY 2004**

Mr. Chairman,  
Excellencies,  
Ladies and Gentlemen,

1. I am very pleased to be here in this great city of Tehran and wish to thank His Excellency Seyed Mohammad Khatami, President of the Islamic Republic of Iran for his warm words of welcome and for the gracious Iranian hospitality extended to me and members of my delegation.

2. I would like to record Malaysia's appreciation to the Arab Republic of Egypt, for its contribution as the last Chairman of our Group.

3. May I also take this opportunity to express my sincere condolences to President Khatami, the Government and the people of the Islamic Republic of Iran on the disaster which struck the unfortunate city of Bam. Malaysia made some modest financial contributions to alleviate the hardships of the people. We will continue to do whatever we can to help ease the burden faced by Iran in the aftermath of this tragedy.

Mr. Chairman,  
Ladies and Gentlemen,

4. The D-8 have at least two things in common. Firstly, we are all developing countries committed to uplifting the social and economic well-being of our peoples. Secondly, we have large muslim populations of about 800 million strong. This provides a ready consumer base and pool of human resources to launch the cooperative projects which have been identified during previous meetings and summits of the D-8.

5. The D-8 was established to be the catalyst for tapping the potentials that exist in our respective countries. It is our duty to realize those objectives. We must prove the skeptics wrong that Islamic countries are incapable of constructive interactions to bring more progress to ummah.

Mr. Chairman,  
Ladies and Gentlemen,

6. In Europe and the Americas especially, countries which have achieved higher levels of technological advancement and industrial progress are moving fast in the direction of

economic integration among themselves . Their integration will certainly bring more economic and political power to them, and greater capacities for domination of many aspects of international life. We can also be strong like them if we are united. The truth is we do have the human and natural resources to make ourselves relevant. But we have yet to harness this capital. There seems to be few alternatives for us but to work for closer integration among our countries in order to develop some credible strength and establish the necessary clout at the international level.

7. We have abundant supply of natural resources which can be transformed into value added industrial and consumer products for trading in the world market. But first, let us ask ourselves why we do not make meaningful investments in other member countries. Economies require adequate and appropriate infrastructure to flourish. Some of our member countries already possess a lot of expertise in this field. If we help each other to build infrastructure, we would indeed be making the kind of meaningful investments that I am referring to.

8. Technologically we are not advanced now. But we can make up for this handicap by developing our human resources. We should equip our people with the necessary knowledge and skills. We need not to go far. D-8 member countries have sufficient indigenous centers of excellence where D-8 nationals can be trained to advance their knowledge and improve their skills. In short, the facilities and opportunities already exist for us to use.

9. Let us therefore also consider very seriously how best we can share knowledge and transfer expertise, including technology, among and between us. If there is a sufficient pool of trained manpower, skillful and knowledgeable workers, combined with the right mix of infrastructure, our economies can be positioned to move to higher levels of growth.

10. The international economy thrives on innovations and inventions. It is therefore necessary for developing countries to set aside sufficient financial and human resources for research and development. We should at the same time develop capacity to translate research results into saleable products. The innovative and inventive spirit should become a new culture among our peoples. I believe this is another area where we can cooperate. Our existing research and development programmes may be small and elementary, but make a start we must.

11. Information and communications technology, ICT, has become the driving force in many aspects of human endeavour. We cannot afford to ignore the impact of ICT on our daily existence. E-government, e-education, e-medicine and e-commerce will be a way of life in the not very distant future. Electronics is the locomotive that will drive our economies forward. Countries and peoples will need to be electronically and digitally connected. The longer we wait, the wider the gap will be not only among ourselves but also between our countries and the rest of the world.

Mr. Chairman,  
Ladies and Gentlemen,

12. I wish to come back to something which we can act upon quickly. I refer to the possibility of increasing the trading of goods and services among ourselves. All of us are

trading nations and trade among ourselves can flourish if we encourage closer networking between our respective traders. The tiny village grocer or the giant international trading

houses, the small-time money-changers or the most sophisticated global financial institutions all operate and function through layers of networks that keep them in business. It is a matter of course therefore that we must establish various levels of networking among our private sectors.

13. Some statistics may be worth recalling. Total trade among D-8 countries is valued at USD 446.7 billion, which is only 7.2 percent of global trading recorded as amounting to USD 6.6 trillion. Out of the USD 446.7 billion of trading among D-8 countries, USD 388.9 billion or 87 percent is accounted for by four members namely Indonesia, Iran, Malaysia and Turkey. Clearly, there is much room for improvement in this regard.

14. We need to reduce or remove barriers to trade between us. We already have before us proposals for the establishment of preferential tariff agreement (PTA) and free trade area (FTA). We must expedite efforts to make them operational.

15. Malaysia would welcome any initiatives to revitalize the D-8. Perhaps we should focus on things which we can actually implement. We must also be willing to open our doors for cooperation with the developed countries. We should learn and draw lessons from other successful groupings of developing countries such as the ASEAN.

16. On our part, we will continue with the project designated to Malaysia which is to develop the takaful (insurance) schemes and to promote the strategic management of takaful businesses in D-8 member countries.

Mr. Chairman,  
Ladies and Gentlemen,

17. Our Summit is taking place at a critical juncture in world affairs. There are revolutionary changes in technology, especially information and communications technology. Other groupings of countries are eliminating barriers to trade and investment among them. The financial markets are being liberalised and integrated. These are the forces which are driving the increasingly globalized international economy. The world in general is witnessing an historic transformation and the international economy in particular is undergoing a fundamental restructuring. Indeed, we are confronted with many challenges.

18. The D-8 should not be afraid to make changes if changes are needed to revitalize our Grouping.

19. I hope this Summit would be able to forge new strategies for the Group. We shall reaffirm our commitment to address common concerns and enhance cooperation for the sake of our peoples. It has been six years since the Group of D-8 came into being. We must begin to deliver the results.

20. In conclusion, may I invite all of you to pray to Allah Almighty to bestow upon us strength and wisdom, and guide us to better serve the ummah.

Thank you for your attention.





**STATEMENT**

**BY**

**H.E. MR. MIR ZAFARULLAH KHAN JAMALI**

**PRIME MINISTER OF THE ISLAMIC REPUBLIC OF PAKISTAN**



**STATEMENT BY H.E. MIR ZAFARULLAH KHAN JAMALI,  
PRIME MINISTER OF THE ISLAMIC REPUBLIC OF PAKISTAN,  
AT THE FOURTH D-8 SUMMIT IN TEHRAN  
ON FEBRUARY 18, 2004**

President Khatami,  
Excellencies,  
Ladies & Gentlemen,

I extend our sincere felicitations to you Mr. President on assuming the D-8 Chair. I am confident that your wisdom and vast experience will bring a new vision and vigor to the D-8 activities.

2. I wish to express my sincere gratitude for the warm reception and the generous hospitality extended to us, ever since our arrival in your beautiful country.

Mr. President

3. We share the profound grief of our Iranian Brethren on the earthquake, which recently devastated the historic city of Bam and pray to Allah Almighty to grant them the courage and fortitude to bear this irreparable loss.

Mr. President,

4. Our leaders envisioned D-8 as a cooperative mechanism that would seek to address the inequities in the global system, besides preparing

its membership to meet the challenges of globalization and to reap its advantages.

5. We live in the age of globalization that has brought about a high degree of connectivity between all regions and peoples. As a result there is a growing need for economic integration within and among the regions. Closer public-private sector collaboration is essential for achieving this objective.

6. At the Special Session of the D-8 Commissioners held in Tehran recently, the in-depth discussion on ways and means to revitalize the Organization have borne fruit. The revitalization proposals are focused and demonstrate the desire of the member states to connect their economies and markets by reducing tariffs and non-tariff barriers and harmonizing trade policies and regulations.

Mr. President,

7. A deep feeling of injustice prevails in the Islamic world today. The belief persists that Muslims are misunderstood and their legitimate aspirations ignored. The tragedy of occupation in Palestine, Kashmir and elsewhere has given rise to the feeling of abandonment and desperation amongst the Muslims. There is a need and urgency to resolve these conflicts justly and fairly. The principles of the UN Charter should be applied without discrimination.

8. Pakistan's vision of enlightened moderation provides a viable path for removing misperceptions between Islam and the West. Enlightened

moderation envisages a two-pronged strategy for meeting the challenges faced by the Islamic Ummah. The Muslim nations must assume their responsibility for internal reform and eschew extremism and confrontation. At the same time, the international community should help in the resolution of political disputes affecting the Muslim world and assist in poverty alleviation and socio-economic development. We believe that it is in this aspect of the enlightened moderation strategy that the D-8 can and should play an important role.

Mr. President,

9. Pakistan is committed to combating terrorism in all its forms and manifestations and is playing an active role in the international campaign against terrorism and is fulfilling its obligations under the relevant UN Resolutions on terrorism.

10. In South Asia, we are resolved and determined to settle the disputes peacefully so that the vast energy of our people is channelized to promoting development and progress. We seek the understanding and support of the international community in this important engagement.

Mr. President,

11. We have seen in our generation that trade, not aid, reduces poverty. Trade is the single most important external source of development financing for the developing countries.

12. The needs and interests of the developing countries remain at the heart of the Doha Development Agenda, for their beneficial, meaningful and equitable integration into the multilateral trading system. The Doha Round could be a major step for achieving this objective. However, the failure of the WTO Ministerial Meeting in Cancun is a setback to the process of global trade liberalization.

13. Pakistan is fully committed to the WTO process and hopes that it would be revived soon. Pakistan supports any initiative that seeks to achieve greater coordination between the developing countries to protect and promote their trade interests in the multilateral trade negotiations as well as in other international forums.

Mr. President,

14. I would now like to submit the following proposals for further enhancing cooperation within our organization:

- i) The reduction and elimination of tariffs and para-tariffs among the D-8 countries is of paramount importance. We believe that upon finalization these preferential tariff arrangements would increase D-8 trade significantly. We are, therefore, happy to host the 2<sup>nd</sup> Session of the High Level Trade Officials in September in Islamabad, where I hope the Preferential Tariff Arrangement will be finalized.
- ii) Priority attention should be given to the need for harmonization of standards, simplification of custom procedures, as well as

cooperation among the central banks. We need to build upon the initiatives taken by Turkey on the subject.

- iii) We, the member countries, need to strengthen transportation, transit and communication links with each other to facilitate intra D-8 trade.
- iv) Provisions of easy and affordable health care, prevention and treatment of communicable diseases is another area where Pakistan would want D-8 to further intensify regional cooperation. The development of a D-8 Plan of Action that would delineate a framework for cooperation on health issues, particularly in medical expertise and pharmaceuticals may be considered by the member countries.
- v) The expansion of cooperation in the areas of information technology and higher learning through the establishment of a Network of Centres of higher learning and Skill Development Institutes (SDIs) under D-8 would be to our advantage in developing a skilled work force.
- vi) As we all agree that it is necessary to strengthen the D-8 Coordinating Unit based in Istanbul, Pakistan is ready to depute an officer to the Unit from our own budget.

15. I would like to avail of this opportunity to thank His Excellency, President Hosni Mubarak of Egypt for the excellent manner in which he conducted the last Chairmanship of the D-8



16. I would also like to convey our deep appreciation for the competent manner in which His Excellency Ambassador Ayhan Kamel, the Executive Director of D-8 is steering the Secretariat despite very limited resources and manpower. We wish him every success in his endeavors in promoting D-8 agenda and in making the Organization efficient and effective.

Mr. President,

17. I am confident that under your leadership and able guidance as the current Chairman of the D-8, the Islamic Republic of Iran will make an invaluable contribution in enhancing D-8 cooperation and furthering the aims and objectives of our Organization. I assure you, Mr. President of Pakistan's full support and cooperation in this regard.

18. In conclusion, I would urge that in order to translate our political will into concrete results, all proposals on which we are agreed, are put on a fast-track implementation process in our respective national programs. I thank you Mr. President.

**STATEMENT**

**BY**

**H.E. MR. AHMED MAHER AL SAYED**

**MINISTER OF FOREIGN AFFAIRS OF THE**

**ARAB REPUBLIC OF EGYPT**



The Egyptian Statement at the Summit of the Group of Eight

In the Name of Allah, the Merciful and the Compassionate

Your Excellency, President Mohamed Khatami, the President of the Islamic Republic of Iran,  
Your Excellencies, the Presidents of the Republics,  
Your Excellencies, the Prime Ministers,  
Your Excellency, the Executive Director,  
Members of the Delegations,

At the outset, I would like to extend the sincere greetings of President Hosni Mubarak, who would have wished to be here with you today, except that various commitments regarding the critical situation of our region kept him from being here, including his continual efforts to end the suffering of the Palestinian People who are constantly exposed to aggression, and his support of the Iraqi People to regain their sovereignty and maintain their unity. I would also like to congratulate His Excellency President Mohamed Khatami, in the name of Egypt, for presiding the Group of Eight for the coming period. We have great faith that the period of his presidency will witness great impetus for the works of the Group of Eight, which will magnify its *raison d'être* and contribute to the realization of the goals for which it was established. We would also like to express our gratitude to the Executive Director Ambassador Ihan Kamel for the great efforts exerted by him, as he has contributed to the achievement of the progress evidenced by the results of the preliminary meetings of this Summit. On this occasion, I would like to commend the valuable proposals submitted at this meeting.

Further, I would like to express my condolences once again to the Iranian People for the losses inflicted by the destructive earthquake of Pam. I assure once again, the solidarity of Egypt's President, Government and People with the Iranian people and cooperation to overcome the consequences of this catastrophe.

The seven years that have passed since the establishment of the Group of Eight in 1997, have witnessed various developments both on the regional and international levels, which has set forth important challenges regarding the future of the Group and the future of cooperation between developing countries in general.

Such developments have highlighted, in an age in which the status of world economy does not give real opportunities for growth and prosperity except to great blocs, that any efforts for the successful development of our countries should take the following points into consideration:

- First:** The need to realize accelerating growth rates to overcome poverty.
- Second:** The necessity of raising inter-trade between our countries.
- Third:** To deal efficiently with the changing world economy in order to make maximum use of opportunities and to avoid risks resulting from the unprecedented level of globalization.

In order to translate this vision into a practical agenda for our Group during the current phase, it can be said that there are four main tasks ahead of us, namely:

**First:** To reach a clear joint stance regarding the challenges facing the multi-lateral world trade system, especially, in light of the obstacles impeding the efforts to liberate trade, as witnessed in the last ministerial meeting of the World Trade Organization in Cancun.

**Second:** The establishment of a clear vision regarding the relationship between the cooperation among developing countries on one hand, and promoting dialogue and cooperation between the North and South on the other hand.

**Third:** The establishment of a clear and practical vision regarding the challenges imposed by the developments in the international financial system and the means of facing them.

**Fourth:** The translation of the targets of cooperation between our countries into specific programmes and seeking the means of developing cooperation between us on one hand, and establishing a mechanism for dialogue between friendly nations, blocs, and international organizations on the other hand, which all confirms that integration is the means to facing the challenges we meet as we aspire to development.

In all these fields, the role played by the private sector may be a fundamental one in realizing these goals that we aspire to, if the appropriate opportunities and facilities are made available to them by the governments.

Your Excellencies,

The necessity to work on surpassing the stumbling of the international trade system in Cancun is not a hidden fact. It is also not hidden that all developing countries will be the main beneficiaries of an open multi-lateral world trade system, which will form a balance between the interests of all member states.

Therefore, at the time that we should reject any act to overpass or marginalize our interests in the international trade system, we should equally work on preventing any desertion from the multi-lateral trade system that may take place via taking protective measures once again against the exports of developing countries.

What is said about trade arrangements, also applies to all forms of cooperation between developing countries. The necessary cooperation between our countries is not directed against advanced countries, and is not an alternative to cooperation between the North and South, as the aim of cooperation between the countries of the South, is to rectify an irregular historical status, where ties have been cut between the countries of the South, and where all the dealings between them have taken place via the advanced countries of the North. In this regard, such cooperation is not meant to reduce cooperation with advanced countries, but aims at deepening and expanding the network of interactions in the international system.

Your Excellencies,

Our interest in strengthening cooperation between our countries in particular, and between our countries and all other advanced countries in general, also aims at forming a united vision regarding the challenges facing the entire international economic system, on top of which, is facing the dangers resulting from the absence of an accurate regulation for international financial markets despite of the great volume of international financial flows, particularly short term capital movements.

If we all aim at realizing uniformly increasing development rates, then we must extensively participate in the international efforts aiming at the establishment of an open and stable international financial system that will assist in the flow of productive investments, and help in the evasion of contingent financial fluctuations which might waste in days, the progressive profits achieved by our countries and peoples throughout long years.

Your Excellencies,

All the points mentioned above, were the main motives for forming the Group of Eight, and reasons for its existence. Therefore, we should make use of its mechanisms that were developed in the past before introducing new mechanisms.

Therefore, we welcome and support the efforts aiming at the activation of inter-trade and increasing the levels of mutual cooperation between our countries. I would like to refer here to the major shift that took place in the inter-trade rates between the member states of the Group of Eight, as they increased by 50% during the past four years, from \$14.5 billion in 1999 to \$22.3 billion in 2002. The achievement of such a great increase, especially if we take into consideration that the years in which such increase took place, witnessed a downturn in international economic growth rates almost reaching the point of recession, indicates that the Group of Eight is on the right track, and encourages us to continue implementing the proposals aiming at establishing preferential trade arrangements between our countries.

Your Excellencies,

It is not my intention to determine in this brief speech, a detailed vision of a joint work programme for the Group of Eight, I only wish to point out the basic principles that Egypt believes should govern our effort to face the challenges of this phase and to enhance cooperation between us according to the principles determined since the first session of the Group of Eight in Istanbul seven years ago, which were reflected in the Tehran Declaration that we will be issuing.

Perhaps, the most important principle is abiding by the Group's philosophy, which is based on moving in two comprehensive and balanced directions, the first being working on activating and supporting cooperation between member states with the aim of enhancing the level of integration and coordination, and the second being the development of mechanisms for dialogue and cooperation between all developing countries, whether they are member states or not to the Islamic Conference. Our belief in the priority of strengthening cooperation between member states does not mean that

we should exclude having dialogues with non-members state since they do not have the opportunity to be member states at present, as there are many ties between our countries. This also applies to advanced countries. We should make the Group of Eight a successful model of cooperation within the scope of a new context of international cooperation, while highlighting that strengthening cooperation between the members states of the Group of Eight does not entail the reduction of its cooperation with the remaining countries of the world since world economy is on a level of interaction that cannot allow for any isolation, and that dealing with globalization necessitates the cooperation of all parties, such that regional cooperation represents an added value to other forms of multi-lateral international cooperation.

Finally, I would like to thank the Islamic Republic of Iran, including its President, Government and People, for their great hospitality since our arrival in the beautiful city of Tehran and for the proper arrangements that made our visit as enjoyable as much as it was fruitful.

May Allah help us do what is best for our Peoples and Countries

May Peace and the Merci of Allah be Upon You

0403041a-G8

**STATEMENT**

**BY**

**H.E. MADAM BEGUM KHALEDA ZIA**

**PRIME MINISTER OF THE**

**PEOPLE'S REPUBLIC OF BANGLADESH**





Bismillahir Rahmanir Rahim

Mr. Chairman, President Hojjatoleslam Seyed Mohammad Khatami  
Excellencies,  
Ladies and Gentlemen.

Assalamu Alaikum.

I have the honour to make this statement on behalf of Prime Minister Begum Khaleda Zia who has asked me to convey her profound regrets for having to cancel her schedule to attend the Summit for health reasons preventing her from travelling.

I am happy to be present here in this historic and beautiful city of Tehran to attend this Fourth D-8 Summit. Let me convey my heartfelt thanks to our hosts for their warm welcome, gracious hospitality and the excellent arrangements made for this conference.

We are conscious of the huge tragedy that befell the city of BAM recently. We express our heartfelt sorrow for the survivors and deeply mourn the departed souls. May Almighty Allah grant the government and people of the Islamic Republic of Iran and especially the bereaved, the strength and fortitude to overcome this terrible loss.

Mr. Chairman,

The D-8 holds out great prospects. Together they embrace a population of some 800 million people, represent 8.5 percent of the global GNP and embrace 4 percent of global trade. Our countries span three continents. We are bound by commonalities in culture, traditions, ideas and heritage. There is complementarity in resource endowments, techno-economic capability. We are motivated by no political compulsion. We only wish to promote economic and cultural cooperation for the benefit of our people. In this effort our common aim to move towards a dynamic economy, and further democratize our political institutions.

About seven years ago when this grouping was started in Istanbul in 1997, there was doubt over its prospects and direction. Member-States were geographically dispersed. They did not share ethnic links, common language or uniform political structures. The levels of economic development were at great variance. Some felt that the scope for interaction was severely constrained. However, others identified important areas of beneficial cooperation, including in the field of information and communication technology.

Among pertinent directions identified for D-8 countries were to seek guidance and advice on trade, technology and development; to promote centres of excellence in all areas of cooperation; to establish networking among peoples, institutions and entities including government, civil society, business and academia; to explore ways to pool financial, technical and human resources for enhancing long-term capabilities and above all, to build awareness of the rationale for such cooperation. The overall aim was to generate momentum for the Group to be self-sustaining.

Mr. Chairman,

We meet in Tehran today to reaffirm our commitment to promote the goals and objectives we have nurtured since Istanbul, Dhaka and Cairo within the overall ambit of

promoting peace, solidarity, tolerance and mutual respect. In particular, we seek to encourage dialogue and understanding among cultures and civilizations. This is necessary for achieving a global consensus for building a new order in the new Millennium.

In Tehran we have identified the key challenges that require our undivided attention. Prime among them is to face the rapid pace of globalisation. Its uneven impact has marginalised developing countries and especially the least developed among them. Alternative approaches should be followed to stem and reverse this tide. This is required for ensuring economic growth, transparency and predictability, especially of financials flows.

Trade is another crucial challenge and there is need to sustain the WTO process after the setback in Cancun. We need to cooperate closely to anticipate and meet the particular concerns of D-8 member states. We also should pursue the Millennium Development Goals for ensuring a better quality of life for our peoples. In this connection, D-8 may ensure the implementation of programmes and plans of actions of the 1990's cycle of UN Conferences.

Energy and ICT sectors, especially follow up of the WSIS recommendations, are also crucial for the D-8. Above all, is the need for effective coordination especially on global issues and enhancing our role in influencing the world's decision-making process.

Mr. Chairman,

I am happy to note that a special session of the D-8 Commission has thoroughly reviewed our progress, especially since the Cairo Summit in order to strengthen and revitalise the activities of our Group. We welcome and endorse the several recommendations it has made both with regard to strengthening coordination as well as substantive economic cooperation.

Mr. Chairman,

It is also heartening to note that advances have been made in specific areas of D-8 cooperation. A key indicator is that intra D-8 trade has increased by about 50 percent between 1999 and 2002. We pay tribute to President Hosni Mubarak who made intra D-8 trade promotion a prime thrust of Egypt's Chairmanship.

The report of the Council of Ministers contains cause for optimism. We recognize that while a couple of initial projects had to be dropped for now, a number of new and promising ideas are proposed. The thrust on expansion of intra-D8 trade finds its response in three proposals - agreements on preferential trade and customs matters proposed by Islamic Republic of Iran, and the Central Banks Forum proposed by Republic of Indonesia. A number of seminars and meetings are proposed to be hosted by member States to explore and strengthen cooperation in some key areas.

The Business Forum has complemented the recommendations of the Commission for removing impediments to the expansion of intra-D8 trade. This proves the dynamism in our Group and its potential to play a positive role.

Mr. Chairman,

I believe that the Industrial and Technological Databank Network deserves special attention. We must indeed, strongly reaffirm the call to feed and update regularly information in our national home pages in each of the areas of competence identified for our countries. We particularly welcome Iran's efforts to collaborate with the ITU to establish a dedicated server for promotion of e-commerce.

Mr. Chairman,

We feel happy considerable progress has been made in our common efforts to move forward together. Yet we all recognise that much more needs to be done to generate and sustain the momentum. The critical catalyst is of course our entrepreneurs and the private sector. We appreciate Iran's efforts in this direction to convene the D-8 Business Forum. The successful holding of the trade officials meeting and the Business Forum have added to the focus on the pivotal role of the private sector and the importance of effective public - private partnership.

In seeking to make our organisation more dynamic we must always be adaptable. We should devote our energies to areas of common interest as well as to new and emerging fields. Our initiatives must be based on practicality, synergy and sustainability. There is need also for constant review and monitoring. Most important, we need to mobilise our resolve and will to make this grouping an effective one.

I cannot conclude without paying warm tributes to the Government of Egypt for their leadership during the past two years. This has expanded the scope, depth and dimension of D-8 cooperation. I also express profound appreciation to the Government of the Islamic Republic of Iran for assuming the leadership of D-8 and for imbuing the Group with a sense of dedication and dynamism.

I could not but also welcome the offer made by the President of Indonesia Her Excellency Meghawati Soekarnapoutri to host the next summit of the D-8 in 2006.

I thank you Mr. Chairman.



## **PART II**

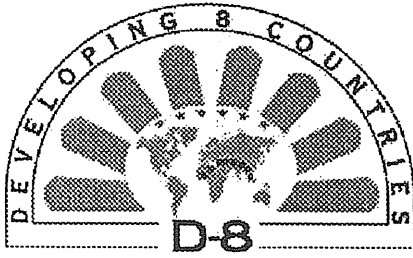
### **DOCUMENTS ADOPTED**



**AGENDA OF THE IV. SUMMIT**







## Office of the Executive Director

---

Address : Müşir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

### Agenda

#### Fourth D-8 Summit

*(Tehran, 18 February 2004)*

1. Welcoming statement by H.E. President Khatami
2. Ceremony of handing over Chairmanship from Egypt to Iran
3. Inaugural Statement by H.E. President Khatami
4. Adoption of the agenda
5. Statements by the Heads of State and Government
6. Report of the VII. Session of the Council of Foreign Ministers
7. Consideration of the Reports of the Council of Foreign Ministers
8. Conclusion of the working meeting and photo opportunity
9. Official lunch hosted by H.E. President Khatami
10. Retreat Meeting (only for Heads of State and Government)
11. Consideration and adoption of the Tehran Declaration
12. Closing remarks



## TEHRAN DECLARATION





## Office of the Executive Director

---

Address : Müşir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

### TEHRAN DECLARATION 18 February 2004

1-We, the Heads of State and Government of the Member States of the Group of Developing-8 countries held our Fourth Summit in a friendly and congenial atmosphere in Tehran on 18 February 2004. We reaffirmed our intention to achieve the goals and objectives of the Istanbul, Dhaka, and Cairo Declarations, and exchanged views on issues of common interest and concern and discussed future strategy for our cooperation.

2-We express the determination of the Member States to preserve and promote economic cooperation, peace, solidarity, mutual respect and tolerance.

3-We reaffirm the commitment of our governments to encourage dialogue and promote understanding among various cultures and civilisations aimed at reaching a global consensus, with a view to building a new order for the current millennium founded on common moral and ethical values of contemporary civilisation.

4-Globalization present opportunities, challenges and risks for developing countries. The impact of globalisation on development has been uneven and large numbers of developing countries have not fully benefited from it. Disparities between developed and developing countries are far from decreasing and have continued to be unfavourable for developing world as many developing countries are being marginalised. Efforts to narrow these disparities should be pursued vigorously to ensure a more balanced share of benefits from the globalisation process for these countries.

5-For developing countries to derive meaningful benefits from globalisation, new approaches to international cooperation are required, which emphasise the need for an international environment conducive to development including inter alia through the reform of the international financial architecture with a view to achieving greater transparency and increased participation of developing countries.

6-In order to attain economic growth and development, developing countries have undertaken economic reforms, which need to be complemented by favourable macro - economic measures. Therefore, we call upon the advanced industrial countries to continue to take positive macro- economic measures and policies to stimulate and ensure greater stability of the world economy, ensuring economic growth and the predictability of financial flows to developing countries.

7-We recognise that our own efforts towards development require increased contacts, collaboration and partnership with industrialised countries in various forms such as foreign direct investment (FDI) and portfolio flows, official development assistance (ODA), debt relief and trade promotion in order to overcome current obstacles to adequate resource flows.

8-We express our concern that the Fifth WTO Ministerial Conference at Cancun failed to produce an agreement that would have addressed the development concerns and trade interests of developing countries. In continuation of the role played by developing countries, we reaffirm our commitment to display the same degree of interest and readiness in further negotiations under the Doha WTO round. We look forward to the continuation of the WTO process and consideration to be given to the specific areas of interest of developing countries, such as improving market access inter alia for our agriculture and industrial products as well as services and eliminating subsidies by developed countries in agriculture.

9-We call on WTO to apply non-discriminatory attitudes towards the application for accession and also urge all WTO member states to avoid any measures and practices contrary to the letter and spirit of multilateral trading system.

10-We reaffirm our resolve to consolidate cooperation and coordination among the member states and reaffirm our expectation from all international and regional organisations to take practical measures in order to expand cooperation in all fields.

11-We consider sustainable and balanced development in the moral, political, social, economic, cultural and scientific fields as vital for our countries and emphasise the importance of new and renewable energy resources by utilising new technologies including biomass/ hydro/solar and nuclear energy.

12-We underline the need for better coordination among the position of member states on matters related to the development of global economic system with a view to enhancing our Group's role in the international economic decision

process, as well as to make positive contributions to economic growth and sustainable development.

13-We have reviewed the progress achieved in the implementation of D-8 projects and programs since the Cairo Summit and we recognise the efforts of the commissioners to strengthen and revitalise the activities of our group and endorse all the recommendations made by the Commission at its special session, aiming at improving the efficiency and effectiveness of the Group.

14-With a view to maintaining the momentum in D-8 cooperation, we instruct the Commission to hold its regular meetings twice a year as provided in the Document "Structure and Functioning" and to take the necessary measures to ensure timely organisation and thorough preparation of the meetings and the programs in various sectors.

15-With a view to enhancing the efficiency of the activities of the Group, we also recommend that meetings be organised at the ministerial level in various sectors and for specific purposes as appropriate.

16-We call upon the member governments to take necessary action, by utilising appropriate occasions, including the commemoration of D-8 Day on 15 June as well as recommendations envisaged at the Special Commission Meeting to better project the image of the Group and its activities in their public opinion.

17-Taking into account the large potential for its expansion, we once again underline the importance of D-8 intra trade among the member countries. In this context, we welcome the speedy increase of nearly 50 % in D-8 intra-trade during the period 1999-2002, rising from USD 14.5 billion to USD 21.3 billion.

18-We underline the importance of developing necessary framework for further facilitating the intra-trade with the aim of eventually establishing free trade among the member countries.

19-We appreciate the convening of the three Expert Group Meetings on Trade Preferences, Custom Procedures and Elimination of Trade Barriers by Malaysia, the I.R. of Iran and Turkey. We also appreciate the establishment of a High Level Group of Trade Officials and the work done at its first meeting held in Tehran and invite the member countries to continue the work within the framework of this new Group in order to finalise the draft texts of the "Multilateral Agreement on Administrative Assistance on Customs Matter" and Preferential Trade Agreement (PTA). We direct our governments to support the work of HLG of Trade Officials in trade and trade related matters and welcome the offer made by Pakistan to convene the next meeting of the Group.



20-Reaffirming the crucial role of the private sector in achieving the aims and objectives of D-8 cooperation in all fields, we welcome the step taken by the I.R. of Iran to convene, simultaneously with the IV. Summit, the Second Meeting of the D-8 Business Forum. We appreciate the work of the Business Forum and their dynamic approach to D-8 cooperation. We take note of its recommendations and call upon the member states to follow up by giving them serious consideration. We also welcome the decision by the Commission to institutionalise the contacts with the Business Forum in order to meet the need to have a greater interaction between the two.

21-We invite the member countries to expedite the ratification of the “Agreement on Simplification of Visa Procedures for Businessmen” for its early entry into force and those member countries who have not yet done so to sign the Agreement and ratify it thereafter.

22-We appreciate the convening by Egypt of the First Meeting of Officials of Central Banks and Ministries of Finance and its recommendations, and welcome as well the proposal by the I.R. of Iran to host its second meeting

23-We encourage national banking associations to convene regular meetings to exchange expertise and experience and to address problems and obstacles impeding the enhancement of D-8 intra-banking relations as well as to jointly organise training programs and seminars on a regular basis.

24-In the industrial sector, while appreciating the manufacture of the prototype of the agricultural aircraft and its successful testing flights by the Turkish Aerospace Industries (TAI), we take note of the fact that its serial production may be started when the market potential expands enough to make the project commercially feasible as well as the financial requirements are met.

25-We instruct the Commission to consider initiation of new projects in industrial sector with a realistic and pragmatic approach aimed at the optimum utilisation of available resources and capabilities in the member countries

26-We reaffirm the call on the member countries to regularly feed and update the required information in their national home pages in the Industrial and Technological Databank (ITDB) network as well as the following databases:

- \* Trade database (administered by Egypt)
- \* Virtual expert network which will be set up by Pakistan for exchange of information in the field of agriculture.
- \* Best practices website in the field of poverty alleviation (administered by Indonesia)
- \* Database on rural development (administered by Bangladesh)

- \* Website for exchange of information on the members' expertise in the form of a catalogue of experts and institutions specialised in various forms of energy (administered by Nigeria).

27-We invite the coordinating country, the I.R. Iran to pursue its efforts in collaboration with ITU to establish a dedicated server for e-commerce for future needs, and encourage the member countries to develop their technical capabilities for the expansion of e-commerce and cooperate together in this field.

28-We recognise enormous opportunities of cooperation in the field of information and communication technologies and call for greater efforts to bridge the digital divide.

29-We endorse the planned activities for the year of 2004 as approved by the Commission.

30-We decided that our governments would closely follow up the implementation of the projects and programs and prepare a national progress report to be presented to the next summit.

31-We appreciate the endeavours carried out by the Executive Director to advance the goals of the D-8 Group and the efforts of the Coordinating Unit to provide effective services to the meetings and to expedite communication between the members. We recognise that strengthening the Secretariat would be important for furthering the aims and objectives of D-8. To this end, while tasking the Commission to continue to examine this issue, we decide to review the existing arrangements including the scale of contributions before the end of the Chairmanship of the I.R. of Iran.

32-We express our profound appreciation to the Honourable President of the Arab Republic of Egypt and his Government during its chairmanship for providing able and effective leadership at a time when the world was faced with serious political and economic challenges.

33-We congratulate the Honourable President of the Islamic Republic of Iran and his Government for assuming the chairmanship of D-8 for the next two years and assure our fullest support and collaboration in furthering the aims and objectives of D-8 Grouping and deepening and expanding D-8 cooperation, as well as extend our profound appreciation to the people and the Government of the Islamic Republic of Iran for their hospitality and the excellent arrangements made for the success of the IV Summit.

34-We welcome with appreciation the generous offer of the Government of Indonesia to host the V. Summit in the year 2006 in Jakarta.



## **PART III**

### **PREPARATORY MEETINGS**

- A) VII. SESSION OF THE COUNCIL OF MINISTERS**
- B) XV. SESSION OF THE COMMISSION**
- C) SPECIAL AND XIV. SESSIONS OF THE COMMISSION**



**VII. SESSION OF THE  
COUNCIL OF MINISTERS**



**AGENDA**  
**OF THE VII. SESSION OF THE COUNCIL OF MINISTERS**









**STATEMENT BY THE FOREIGN MINISTER OF THE  
ISLAMIC REPUBLIC OF IRAN AS THE CHAIRMAN**



**Text of Speech by**  
**His Excellency Dr. Kamal Kharrazi**  
**Minister of Foreign Affairs of the I. R. Iran at**  
**7<sup>th</sup> meeting of the Council of Foreign Ministers of D-8**  
**16 February 2004 Tehran.**

**In the Name of God**

**Honorable Colleagues**

**Distinguished Guests**

**Ladies and Gentlemen**

At the outset, let me extend my warmest welcome to my distinguished colleagues the honorable ministers, deputy ministers and members of delegations participating at the 7<sup>th</sup> meeting of the D-8 Council of Foreign Ministers. At the same time I wish you all a pleasant and memorable stay in Iran. I am confident that by the grace of Allah, our deliberations in the course of sessions will bear fruitful results for our Group and for all the member states.

Meanwhile, I am obliged to extend on behalf of the Group my gratitude to H. E. Mr. Ahmed Maher, honorable Foreign Minister of Egypt for his leadership during the previous term as the chairman of the D-8 ministerial meeting.

**Dear Colleagues,**

Given the current international trends and the challenges affecting the developing nations and transition economies as marked by accelerating pace of globalization ,the crucial role of regional and intergovernmental arrangements in paving the way for internationalization and proper interaction with the world economy becomes ever more clear.

Such groupings or organizations can play a prominent role in promoting cooperative relationship at the global level and in introducing mechanisms for fostering measures necessary to assure common interests of their member states in a rapidly changing world.

As an economic grouping, the D-8 consisting of eight Muslim developing nations blessed with enormous natural resources, high-quality manpower and diverse economies has reached a stage in its life time that can adopt and assure coordinated stances in dealing with major financial and economic issues at the international scene. In order for D-8 to play its due role in the present world, the group must be transformed into an efficient and effective forum among selected developing economies. Fortunately the recent special

meeting of the D-8 Commission in Tehran thoroughly reviewed our past and came up with recommendation to promote the efficiency of our activities. I am confident that implementation of its respective recommendations will promote the effectiveness of our Group and will contribute to the enhancement of cooperation amongst member countries. We must encourage our commission to continue to address the challenge of rapid Change and adapting to them through formulation of necessary recommendations.

We believe that we have two important tasks before us to fulfill: First, regular and periodical coordination of our position on economic issues through mechanisms such as those suggested by the special commission meetings secondly we should create necessary environment for privates public enterprises to engage in meaningful cooperation.

### **Honorable Guests**

There is no doubt that trade exchanges among member countries, according to the available figures, has emerged as one of the most promising areas of cooperation. However, the existing level of exchanges is in no way in proportion to our potentials and capacities. Efforts must be made to further increase and diversify trade and investment opportunities among our countries.



Statistics indicate that the total export of member countries stands at \$ 247.7b against the total imports of \$229.9b. The overall trade exchanges of the Group, therefore, amounts to 446.7b or %7.2 of the total world trade, of which 388.9b or roughly 80 percent belongs to four countries of Iran, Malaysia, Indonesia and Turkey.

It is a matter of great hope that in the period between 1999 to 2003 our countries have managed to increase trade exchanges among themselves by 50 percent..

On this basis we are of the opinion that trade could be placed on the top of priority list for cooperation though which we can inter-link our market and eventually great a big D-8 market, It will enable us to achieve economy of scale thus reducing cost and increasing competitive ness international market.

Accordingly, I hail the decision by the commission to set up a high level trade official meeting for exploring modalities for linking our markets. I also commend the work of high level trade officials who met two days ago. I suggest that we strongly encourage them to continue their work on the draft Preferential Trade Agreement and try to finalize it before the end of this year.

## Distinguished participants

Our countries, recognizing the important role of the private sector, have already assumed a greater part for private business in future economic activities. We believe that our governments should also take steps to facilitate cooperation among their private sectors. Concurrently, our economic institutions must take a series of measures for conducting regular contacts in order to exchange information and to benefit from each other's new economic and investment projects.

Encouragement of our private enterprises to engage in our partnership programs shall be crucial to enhancement of the overall cooperation among us. In this respect, I should refer to the D-8 business forum in Tehran held earlier. It has opened new windows of opportunities for enhanced trade, industrial, and economic cooperation among our private enterprises.

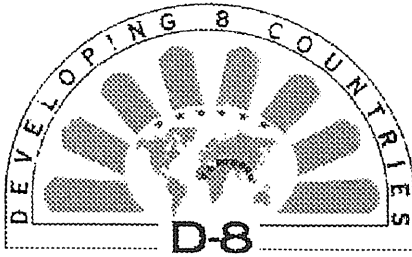
Our deliberations could lead to formulation of a comprehensive report comprising the outcomes of the present and previous sessions to be presented to our Heads of States/Governments during the summit Meeting.

Finally, I wish to admire the valuable efforts made by all delegations in the course of the meeting in Tehran. Let us hope that through collective cooperation and harmony, we would be able to fulfill our shared goals and aspirations in line with the best interests of our nations.

Thank you

**STATEMENT BY THE EXECUTIVE DIRECTOR**





**Office of the  
Executive Director**

---

Address : M Fuad Paa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

**STATEMENT BY THE EXECUTIVE DIRECTOR  
AT THE COUNCIL OF MINISTERS**

**(VII. Session, Tehran, 16 February 2004)**

Mr. Chairman, Honourable Minister of Foreign Affairs of the I.R. of Iran,  
Honourable Ministers,  
Excellencies,  
Ladies and Gentlemen,

At the outset, I would like to congratulate Your Excellency for assuming the Chairmanship of the D-8 Council of Ministers. I am sure, under your able Chairmanship, the Council will achieve fruitful results. I would also like to take this opportunity to express my felicitations to Egypt for its successful Chairmanship during its tenure.

This Summit is taking place at a time when developing countries are facing serious challenges of different nature. Indeed, they continue to encounter difficulties in their exports of goods and services to industrialised world. It is regrettable that Fifth Ministerial Conference at Cancun under the Doha WTO round failed to produce an agreement which would ensure better excess to the markets of industrialised countries for their agricultural and industrial goods as well as services. This, coupled with their already-heavy foreign debt burden, inevitably affect their development efforts adversely. Moreover, the volatility in the exchange rates of major currencies, especially steep devaluation of the US currency, made the picture even worse, increasing the uncertainty for the future.

On the other hand, technological divide between developed and developing world is widening. As a result, developing countries run the risk of being further marginalized in the global economy. The access of developing countries to these technologies must be increased substantially by devising appropriate means to best use the existing global asset. In the words of the UN Secretary General “now that the market in developed countries approaches saturation, the future of the industry will depend not only on technological advances but also on reaching billions of people who remain untouched by the information revolution.”

In order to meet these challenges, the D-8 member countries could exert collective efforts to engage in consultations and to coordinate their positions amongst themselves and with other developing countries as well, on matters related to world economic issues especially on those of special concern to them, and enhance the role of D-8 Group in international instances.

Honourable Ministers,

Now turning to D-8 activities, at the Cairo Summit, the D-8 Heads of State and Government sanctioned a number of projects. I am pleased to state that most of them have been implemented, while some others either had to be deferred or could not simply be brought to fruition for various reasons.

The trade sector continues to retain its prominent place in D-8 cooperation. As would be recalled, the Istanbul Summit endorsed six priority projects, the establishment of an International Marketing and Trading Company (IMTC) being one of them. Since then, lots of effort was spent on this important project, including a comprehensive feasibility study. However, the project could not be launched until now as the D-8 private sectors seem not to nurture a genuine interest in this project although it is designed to mainly serve the business circles. The Agreement on Easing Visa Procedures for D-8 Businessmen which was signed three years ago at the Cairo Summit could not enter into force due to insufficient number of ratification. Other trade related issues such as shipping, banking procedures and practices related to foreign trade, etc. still remain to be addressed. Notwithstanding these factors, the D-8

intra-trade increased fifty percent in a period of three years from USD 14,5 billion in 1999 to USD 21,3 billion in 2002. Though this can perhaps partly be explained by the continued devaluation of the US currency, the achievement is still real and significant. This proves that the D-8 vision is gradually prevailing and acting among the D-8 business community. I should however add that there is much wider scope for further expansion of D-8 intra-trade. The conclusion of a Preferential Trade Agreement as proposed by the I.R. of Iran will certainly have a great impact on the increase of D-8 intra-trade.

Alike the IMTC project, another half-accomplished project is related to agricultural aircraft. Although its prototype was manufactured with quite an investment by Turkish Aerospace Industries (TAI) and testing flights also conducted successfully more than three years ago, its serial production has now to be deferred until such time when the D-8 market expands enough to make it commercially feasible and additional financial requirements are met.

An important feature of D-8 cooperation is the exchange of information, technology and experience in various fields. To this end, the Industrial and Technological Databank Network (ITDB) was established in Tehran. Thereafter, a number of databases were set up to operate thereunder in the fields of trade, agriculture, poverty alleviation, rural development, energy, etc. In order to make best use these data bases, it is vital to regularly feed and update them.

At its XII. Session, the Commission reviewing past activities concluded that it would be timely to make an appraisal of the performance of D-8 Group six years after its creation with a view to revitalise it. To this end, the Government of the I.R. of Iran took the initiative to convene a special session of the Commission , which I deeply appreciated. The Commission in fact met in Tehran on 11-12 January 2004 and adopted a number of important recommendations for approval by the Council of Ministers. The Commission, emphasizing the priority of trade and investment in D-8 cooperation, recommended that the member countries should attempt to connect their economies and markets by eliminating or reducing tariff and non-tariff barriers and harmonising economic and trade policies and regulations in order to create a conducive environment for cooperation and to facilitate interaction amongst them.



The Commission is of the view that conclusion of TPS (trade preferential system) or FTA(Free Trade Area) arrangements would further advance the objectives of our cooperation and that to this end, a special meeting of trade ministers could be convened. In order to revitalise and enhance D-8 cooperation, the Commission also made a series of recommendations such as regularly convening its own meetings, timely organisation and thorough preparations of the meetings and programs in various sectors, announcing calendar of events on an annual basis after screening various project proposals on the basis of their merits and priorities, holding ministerial meetings in various sectors as appropriate in order to give impetus to sectorial cooperation, creating conducive environment for the private sector by offering various incentives with a view to stimulate its interest in D-8 cooperation, certain measures to promote public awareness of D-8 in the member countries, etc.

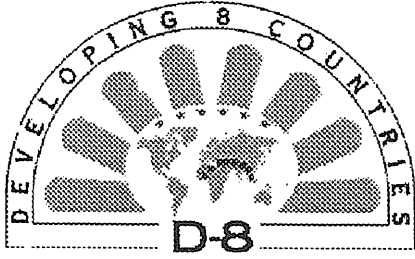
I strongly believe that the Tehran Summit will constitute yet another milestone in D-8 Cooperation and will be instrumental to achieve a more prosperous and more secure future for our peoples. By preserving our solidarity and spirit of collaboration, and mobilising our human and material resources, we shall be able to accomplish the goals set out in the Istanbul Declaration.

Finally, I would like to express my profound gratitude to the Government of the I.R. of Iran and personally to you Mr. Foreign Minister for the warm hospitality and excellent arrangements of the Summit.

Thank you.

**REPORT OF THE COUNCIL TO THE SUMMIT**





## Office of the Executive Director

---

Address : Müşir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

### REPORT OF THE D-8 COUNCIL OF MINISTERS (VII. SESSION)

1. The VII. Session of the Council of Ministers was held in Tehran on 16 February 2004. In his opening statement, the Chairman, H.E. Foreign Minister of the Islamic Republic of Iran welcomed the D-8 Ministers and explained the Iranian views on various items in the agenda in the light of the reports of the Special and XIV. Sessions of the Commission.
2. The Ministers of the member countries made their opening statements.
3. The Council adopted its agenda and heard the statement of the Executive Director on the activities of D-8 Group since the Cairo Summit.
4. The President of the Iranian Chamber of Commerce, Industry and Mines presented the report of the Second Session of the Business Forum. The chairperson of the XV. Session of the Commission presented the report of the Commission and elaborated on the major issues discussed and recommended in it.

5. Thereafter, the Council considered and adopted the reports of the last three sessions of the Commission, including the Special Session.
6. The Council reviewed the provisional agenda and the work program of the Summit and adopted them to be submitted to the Heads of State and Government.
7. The Foreign Minister H.E. Mr. Kharazzi invited the Ministers to engage in an interactive discussion on two main issues in D-8 cooperation namely,
  - \* How effective the D-8 member countries would be able to coordinate their positions on international issues.
  - \* How to improve the effectiveness and efficiency of the D-8 Group.

The views expressed by the Ministers are summarised herebelow:

- In deciding on future activities, we should adopt a pragmatic approach and focus on practical and realistic projects in a limited number. To this end, we should institutionalise this approach. We also should be ready to bring our financial and creative resources in this regard.
- Trade and investment promotion acquires high priority in D-8 cooperation. To this end, we should take the measures to liberalise the D-8 intra-trade by concluding agreements on free trade area and customs collaboration as soon as possible. In this vein, we should also facilitate the process of granting of visas in order to encourage the contacts between the businessmen.
- The Governments should act as facilitator in D-8 cooperation as the private sector is the driving force in our economies. To this end, incentives should be given to private sectors in order to encourage them to participate in D-8 cooperation.

- In this context, an interaction between the government and the private sector should be developed in order to obtain the views of the businessmen on D-8 cooperation. Moreover, interaction between the D-8 chambers of commerce should also be strengthened.
- The exchange of information and updating the website of D-8 is very important. The networking in the exchange of information and experience should be enhanced.
- Since liberalization of trade and eventual establishment of free trade area has been chosen as a first priority, we should take it seriously by integrating this program into our national economic plans. D-8 free trade must become high in our development agenda.
- Future summit declarations should be more concise and shorter, concentrating on a few topics of priority and therefore need not to address all the issues.
- To revitalise D-8 cooperation, we should strengthen the Coordinating Unit. In this connection, Iranian Minister stated that in the line with precious discussions, he has decided to dispatch an Iranian experienced diplomat to the Coordinating Unit as a secondment. Head of Pakistan delegation also expressed his willingness to consider favourably the secondment approach to strengthen the D-8 Coordinating Unit.
- Some Ministers favoured the opening of D-8 membership to few selected countries while others took the position that we should first solidify D-8 cooperation and become an active group before inviting other countries. The latter also added that we should set beforehand the criteria and modalities for the new membership. In this context, the view was expressed that dialogue partnership could be established with developed countries.
- Several Ministers referring to Istanbul Declaration pointed to the need to establish linkage with the OIC. In this connection, it was also reminded that all D-8 members

by virtue of being the members of OIC at the same time have already liaison with the Organisation at national level. Furthermore, attention was drawn to the sensitive nature of this issue.

8. The Council of Ministers adopted the draft Tehran Declaration to be submitted to the Summit.

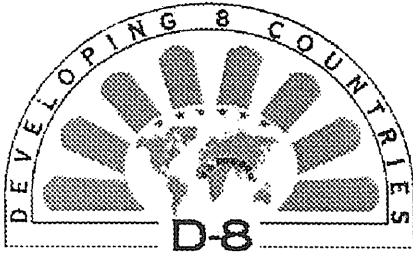
## **XV. SESSION OF THE COMMISSION**





## **AGENDA OF THE MEETING**





## Office of the Executive Director

---

Address : Múşir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

### Agenda

#### XV. Session of the Commission

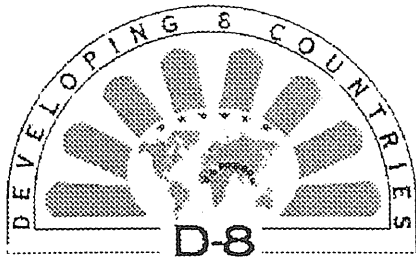
*(Tehran, 15 February 2004)*

1. Opening statement by the Chairman
2. Adoption of the agenda
3. Statement by the Executive Director
4. Review of the report of the Second Business Forum
5. Review of the Report of the High Level Trade Officials
6. Consideration of the draft Tehran Declaration
7. Consideration of the draft agendas of the Ministerial and Summit Meetings
8. Any other business
9. Conclusion and closure of the meeting



**ORAL REPORT BY THE EXECUTIVE DIRECTOR**





**Office of the  
Executive Director**

---

Address : Mişir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

**ORAL REPORT BY THE EXECUTIVE DIRECTOR**

*(XV. Session, Tehran, 15 February 2004)*

Mr. Chairman,

As there are not major developments since the last session of the Commission, I shall now present to you a brief oral report.

1. As you know, the Workshop on Farm Animal Genetic Resources took place in Cairo on 11-13 January 2004, almost at the same time with the last meeting of the Commission. The report of the Workshop which includes a number of recommendations is now available and circulated with our letter No: AGR/04/35 dated 28 January 2004. The Commissioners may wish to comment on this report.

2. The Workshop on Poverty Alleviation: Reforms and Development Measures which was scheduled to take place on 26-28 January 2004, was postponed due to inadequate participation.

3. Recently, the Nigerian Authorities have requested that action be taken on the recommendations of the First Working Group Meeting of Energy, held in Abuja, on 3-5 April 2001. As detailed in my letter No: COM/ENG/04/45 dated 5 February 2004, which was circulated to all the members, the Commission indeed reviewed at its XI. and XII. Sessions the report and the recommendations of this Working Group and took certain decisions including the establishment of a website in this field to be administered by Nigeria. Thereafter, as follow-up to our letter mentioned above, the Nigerian Authorities have forwarded an additional document concerning alternative



energy sources (solar, wind, biomass) for the vast rural population in the member countries with the request of the inclusion of this subject into the agenda of various meetings of the Summit. The document is circulated in the attachment of our letter No. ENG/04/57 dated 11 February 2004.

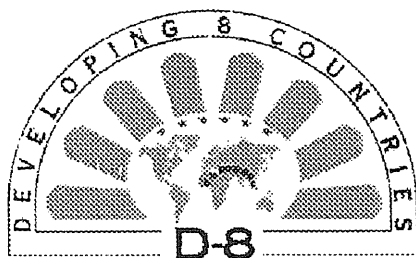
4. Indonesia proposed the setting up of a Framework of Central Banks Forum of D-8 countries with a specific mandate. This proposal was circulated in the attachment of our letter No: FBP/04/50 dated 6 February 2004.

5. The draft text of the Preferential Trade Agreement which was prepared by the I.R. of Iran is circulated in the attachment of our letter No: TR/04/53 dated 7 February 2004. The draft is now under discussion at the meeting of High Level Trade Officials which started yesterday.

6. Finally, the draft Tehran Declaration as revised by the host country in the light of the comments made at the last session of the Commission was circulated last week. In my letter no: COM/04/49 dated 6 February 2004, I offered brief comments in connection with some paragraphs.

**REPORT OF THE COMMISSION TO THE  
COUNCIL OF MINISTERS**





## Office of the Executive Director

---

Address : Müşir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

### REPORT OF THE XV. SESSION OF THE COMMISSION TO THE COUNCIL OF FOREIGN MINISTERS

(Tehran, 15 February 2004)

1. The Commission held its XV. Session in Tehran on 15 February 2004. The Chairman H. E. Ambassador Mohammed Hossein Adeli in his opening statement, explaining the main objectives of D-8 cooperation and underlining the importance of trade sector, briefed the Commission in general on the meetings of the Second Business Forum and High Level Trade Officials.
2. After the adoption of the agenda, the Executive Director Ambassador Ayhan Kamel summarized the developments since the last session and drew the attention of the Commission to some new proposals by some member countries. The Commission welcomed the proposals made by Nigeria and Indonesia on alternative energy resources and establishment of a framework of central banks forum of the D-8 countries respectively.
3. On behalf of the Chairman of the Business Forum, Mr. Abdulreza Hanganı, presented the report of the Second Business Forum which took place on 14 February 2004. (The report of the meeting is in Annex I.). In their exchange of views on the recommendations of the Forum, the Commissioners appreciated the dynamic approach of the participants to the D-8 cooperation.

They took note of several recommendations which, they think, deserve serious consideration. In this context, they especially welcomed the recommendations on the steps to be taken for the promotion of D-8 intra-trade. In this vein, the importance of recommendations on the establishment of a direct correspondent banking system and sharing research and transfer of technology in the field of pharmaceuticals, biotechnology and vaccines was also underlined. The Commission decided to refer the recommendations to the relevant authorities of the member countries to seek their views. Moreover, the Commission, sharing the need for greater interaction of the business community with the public sector and decision makers, also decided to have an agenda item at its sessions for a joint meeting with the Chairman of the Business Forum. It was agreed that there should be a reference in the Tehran Declaration to the work of the Business Forum with a view to encourage private sector to participate in D-8 cooperation.

4. The Chairman of the Meeting of the High Level Trade Officials, Mr. Moustapha Sarmadi, Advisor to the Minister of Commerce and Director General for International and Specialized Organizations, presented the meeting's report (Annex II). In the course of exchange of views on the report, the Commissioners, have agreed, in principle, to the conclusion of a "Preferential Trade Agreement" and a "Multilateral Agreement in Administrative Customs Matters". The Commission invited the member countries to give their views by the end of May 2004 and welcomed the offer of Pakistan to host the next meeting in the first half of September 2004. In view of the vital importance of trade in D-8 cooperation, the Commission called upon the high level officials to accelerate their work to conclude these agreements at an early date.

5. The Commission approved the planned meetings for the year 2004 and submitted the list to the Council of Ministers for approval. (Annex III.)

6. The Commission considered the draft text of Tehran Declaration and decided to submit the text to the Council of Foreign Ministers for approval.

7. The Commission considered the draft agenda of the Council and the Summit

8. The Commissioners expressed their appreciation to the Chairman, H.E. Ambassador Adeli, for conducting the meeting in the most efficient and competent manner. They extended their profound thanks to the Government of the I.R. of Iran for the excellent organizational arrangements and for its warm hospitality.



## Final Report

### The Second Business Forum For Chambers of Commerce, Industry and Business Associations of D-8 Group

Tehran, February 14, 2004

After a comprehensive review and thorough discussion on all the issues in the agenda, the D-8 Business Forum under the chairmanship of Mr. A. N. Khamoushi reached the following decisions:

#### A. General Decisions (for information only)

- 1-The concept of IMTC was dropped due to lack of feasibility.
- 2-The concept of setting up a shipping line was dropped due to lack of feasibility.
- 3-The D-8 members were urged to continuously update information on their respective countries in the D-8 website: [www.developingeight.org/net/com](http://www.developingeight.org/net/com).
- 4-The forum recognized the need for the expansion of SMEs in member countries and appreciated the importance of its role in the development of the D-8 countries. However, as the Islamic Chamber already had an existing institutional framework in place, it was agreed that further progress in the field would be pursued through the Islamic Chamber. The forum decided to collectively seek the assistance of IMTC in SMEs development.
- 5-The forum agreed to hold trade fairs every year beginning with Iran (2004), followed by Bangladesh (2005) and thereafter the timetable would be decided. The time fixed was one month after Ramadhan. Exact time shall be notified by the host country through the Secretariat at least four months prior to the event.
- 6-The forum decided to hold regular meetings coinciding with either the Executive Committee or General Assembly meetings or any other event of the Islamic Chamber to be decided by the Secretariat. The Core Group to be expanded to include Malaysia and Pakistan and any other member who chooses to join it.
- 7-The forum recognized the necessity for exchanging trade and industrial delegations among its members and decided to encourage members to undertake more frequent exchanges.
- 8-The forum decided to collect and review the existing rules and regulations on arbitration and dispute settlement of the member states.



9-The forum decided that the current chair country would manage the Secretariat of the Forum, which will be Iran. Mr. A.R. Hanjani was appointed as secretary-general for the period.

## **B. Decisions recommending intervention by the D-8 Summit of Heads of State:**

1. Recognizing the importance of shipping in the expansion of economic cooperation among member states, the forum recommends that the heads of governments consider providing identical treatment to both private and national shipping companies to ensure that there is a level playing field.

2. The Forum recognized that in order to achieve closer economic cooperation there is a need for greater mobility and interaction among the business communities of the member countries. It therefore recommends that immediate action be taken to simplify and facilitate visa procedures for the D-8 member countries.

3. Recognizing the importance of tariff incentives clarity in taxation and harmonization of custom codes and regulations in the promotion of trade, the forum recommends that the heads of governments take the following action in this regard:

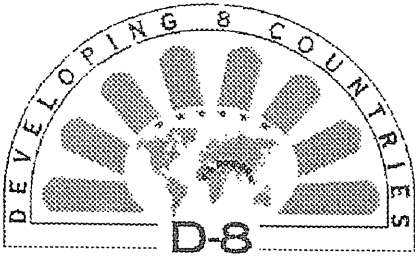
- a. Liberalize the existing tariffs, including incorporating preferential tariffs, in such a way that it eventually leads to free trade within D-8.
- b. Remove all non-tariff barriers.
- c. Eliminate double taxation through signing relevant agreements.
- d. Harmonize custom codes and trade regulations.

4. Recognizing the importance of appropriate banking arrangements in the carrying on of sustainable trade, the forum recommends that heads of government intervene to ensure the establishment of a direct correspondent banking system among the member countries, including bilateral payment arrangements to facilitate trade.

5. Since tourism industry will promote people to people contacts and enhance trade and economic cooperation, the Business Forum requests the D-8 governments to work out the necessary legal framework and facilitation as well as to develop the appropriate infrastructures for further development of tourism industry. In the meantime, the Business Forum will undertake to hold special forums or meetings of tourist agencies and the private sector of the industry to come up with solutions, recommendations as well as practical cooperation.

6. Appreciating the great social significance of the health sector and recognizing the vast potentials for gains through cooperation, the forum recommends that the heads of governments encourage and promote sharing of research in particular in the fields of pharmaceuticals, biotechnology and vaccines as well as transfer of technology and know-how within the member states.

7. Realizing the need for greater interaction of the business community with the public sector and decision-makers, the forum recommends that a business advisory council consisting of three to five heads of delegations of the Business Forum be an interactive part of the commissioners, ministerial and heads of government deliberations at the summit.



## Office of the Executive Director

---

Address : Mûşir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

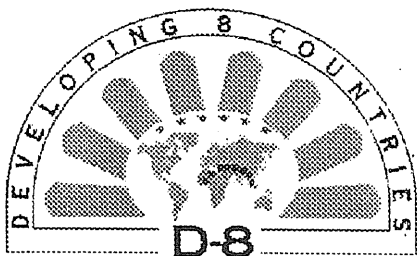
### ANNEX II

## Report of the First Meeting of D-8 High Level Expert Group on Trade and Trade Related Matters

*(Tehran, 14-15 February 2004)*

1. The First Meeting of D-8 High Level Experts Group on Trade and Trade Related Matters was held in Tehran on 14-15 February 2004.
2. Mr. Mostafa Sarmadi, Advisor to the Minister and Director General of International Department at the Ministry of Commerce of the I.R. of Iran opened the meeting. Then a representative from the Executive Secretariat of D-8 and Mr. Mostafa Sarmadi made their opening statements. Touching on various items concerning trade development, they both stressed the need to boost D-8 intra-trade and take necessary measures for this purpose.
3. The participants have all agreed to choose Mr. Mostafa Sarmadi as the Chairman of the Meeting.
4. The draft agenda of the meeting was adopted.
5. In the light of the recommendations made at the Special Session whereby the Commission emphasised the priority of trade and trade related matters within D-8 cooperation, the Meeting stressed the importance to have a D-8 preferential trade agreement (PTA) and a multilateral agreement on administrative assistance among D-8 member countries in customs matters. The Iranian Delegation offered to compose a drafting committee to discuss and finalise these two draft texts which were earlier proposed by the I.R. of Iran. However, with the exception of two countries, majority of the countries were unable to work on these two drafts due to the fact that they did not have enough time to study them in detail and that they do not have relevant experts available at this meeting. Therefore, in principle as none of the participants have any objections to the idea to have a distinct D-8 preferential trade agreement, the experts decided to put these two drafts as Annexes to this report and to further study and comment on them till the end of May 2004.

6. All the participants appreciated the initiatives and efforts of the I.R. of Iran in preparing these two drafts.
7. It was also decided that the views of the experts on these two drafts will be sent to the Office of the Executive Director by the deadline date set with a view to being forwarded to the Iranian Authorities. The Iranian Ministry of Commerce volunteered to work on these new amended drafts and combine all proposals and make necessary amendments received from the experts in the form of matrix and send this new draft to the Office of the Executive Director for circulation to the Commissioners.
8. The Distinguished representative from the Turkish Delegation emphasising the importance of the implementation of Framework Agreement on Trade Preferential System among the member countries of the Organisation of the Islamic Conference (TPS-OIC); invited the member countries of D-8 to sign and ratify the TPS-OIC Agreement and actively participate in TPSOIC Trade Negotiations to be launched on 6-9 April 2004 in Antalya-Turkey.
9. The meeting decided that the Second Meeting of D-8 High Level Experts Group on Trade and Related Matters should be hosted by one of the members who has not yet organised any meetings on trade or trade related matters. As a result, Pakistan volunteered to host the next meeting in the **first half of September 2004**. The exact date of the meeting will be announced till July 2004 to give sufficient time for the experts to get prepared.
10. The participants also exchanged views on the possible modalities of the PTA and shared their experiences with other regional groupings.
11. The participants expressed their profound thanks and gratitude to the Iranian Government for their warm hospitality and excellent arrangements.



## Office of the Executive Director

Address : Müşir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

### ANNEX III

#### THE LIST OF PLANNED MEETINGS

NAME OF THE MEETING	COUNTRY	DATE
Meeting on Shipping to establish a Shipping Business Forum	Bangladesh	No date set during the last three years
Second Working Group Meeting on Energy	I.R. of Iran	Postponed, no new date set
Workshop on Data Collection, Classification systems and Management of SMEs	Pakistan	No date set
Seminar on WTO issues	Pakistan	No date set
Seminar on Water Conservation and Drip Irrigation	Pakistan	March 2004
Second Meeting of Officials of Central Banks/ Ministries of Finance	I.R. of Iran	No date set
Meeting of Senior Officials with private sector participation to consider new industrial projects	I.R. of Iran	No date set
Workshop on Insurance Supervision	Egypt	1-2 March 2004
Meeting of Supervisory and Regulatory Authorities of D-8 on Insurance and Takaful	Malaysia	15 July 2004
Second Meeting of D-8 High Level Expert Group on Trade and Trade Related Matters	Pakistan	First half of September 2004



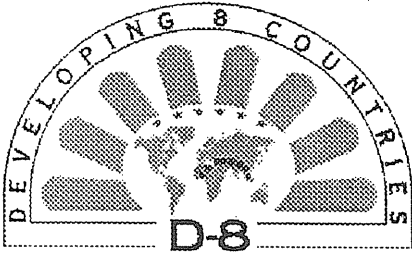
**SPECIAL AND XIV. SESSIONS  
OF THE COMMISSION**



**AGENDA**  
**OF THE SPECIAL SESSION OF THE COMMISSION**







## Office of the Executive Director

---

Address : Müşir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

### Agenda

#### Special Session of the Commission

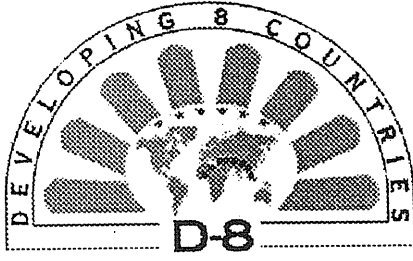
*(Tehran, 10-11 January 2004)*

1. Opening statement by the Chairman
2. Adoption of the agenda
3. Revitalisation: enhancement of the effectiveness and efficiency of the D-8 Group;
  - a) General assessment of D-8 cooperation:  
(Each member state expected to present the brief views on the issue)
  - b) Measures to improve the efficiency of the Group:  
(Each member may propose different measures in this regard)
  - c) Suggestion for core subjects to promote D-8:
    - I. Coordinating of positions on international economic development
    - II. Policy measures to facilitate the economic interactions among D-8 Group
4. Conclusion



**AGENDA**  
**OF THE XIV. SESSION OF THE COMMISSION**





## Office of the Executive Director

---

Address : Müşir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

### Agenda

#### XIV. Session of the Commission

*(Tehran, 12 January 2004)*

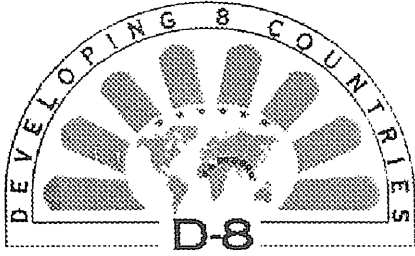
1. Opening statement by the Chairman
2. Adoption of the agenda
3. Report of the Executive Director
4. Review of the activities since the last session of the Commission
5. Supplementary information concerning summit preparations
6. Consideration of the draft Tehran Declaration
7. Any other business



**REVISED REPORT OF THE EXECUTIVE DIRECTOR**







## Office of the Executive Director

---

Address : Müşir Fuad Paşa Yahısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

26 December 2003

### SPECIAL AND XIV. SESSIONS OF THE COMMISSION

### REVISED REPORT OF THE EXECUTIVE DIRECTOR (10-12 January 2004, Tehran)

#### SPECIAL SESSION

1. In preparation of the Special Session, the Commission urged at its XII. Session the member states to submit, well before the Special Session, their views on issues related to the assessment of D-8 activities in order to enhance the effectiveness and the efficiency of the Group. The Pakistan Delegation had, as would be recalled, circulated its views on the revitalization of the D-8 in the course of the meeting. Thereafter, Indonesia and Malaysia also presented their views on the subject which were also circulated. Furthermore on the basis of my personal experience, I have also submitted a paper on this matter. In order to streamline and facilitate the discussions in the Commission, I have prepared a synopsis of all the ideas pronounced. (Our letters No. COM/03/252 and COM/03/281 dated 2 December and 26 December 2003 respectively.)

#### XIV. SESSION

2. Since the XIII. Session of the Commission, held in New York on 27 September 2003, was merely designed to prepare the Council Meeting for discussing summit date and preparations, I address herebelow the developments in D-8 cooperation as from the XII. Session earlier held in Cairo on 11-12 August 2003.

3. As will be recalled, the Commission adopted a number of decisions at the XII. Session, some requiring rather quick action on the part of the member countries while others could wait until after the Summit. Following the Commission Meeting, I presented a follow-up chart presenting these decisions in a systematic and practical format in order to facilitate for the member governments to follow them up and take the necessary action (Our letter No. COM/03/171 dated 26 August 2003).

4. A brief explanation on the steps taken and/or to be taken concerning these decisions during the period till the forthcoming summit is given herebelow.

- **IMTC:** The Commission requested the member countries, who have not yet done so, as a matter of urgency to communicate in writing by the end of September 2003, their final decision on their financial contributions to this project. No communication has been received from any member until now. Moreover, according to Decision 2, the Egyptian Federation of Chambers of Commerce offered to sound out the interest of the private sectors in this project on the margin of the 10th Meeting of the Private Sectors of the Islamic States which was held in Tehran on 4-5 October 2003. Furthermore, Egypt proposed to hold a meeting in Cairo in December 2003 with a view of reaching final decision on this matter in the light of the responses from the members as mentioned above. To my inquiry about the interest which might have been demonstrated by private sectors in this project in the course of the soundings at their Tehran Meeting and about the fate of the Cairo Meeting in December, I have not received any response from the coordinating country.
- **Expert Group Meeting on Shipping to Establish a Shipping Business Forum:** The Commission welcomed the proposal of Bangladesh to convene this meeting soon. Moreover, at the Council Meeting held in New York, the Bangladesh Permanent Representative informed the meeting that his authorities were planning to organize it in early 2004 (para. 8 of its report and para. 9 of the Council's report). However, no date has yet been given for this meeting.
- **Third Expert Group Meeting on Trade Preferences, Customs Procedures and Elimination of Trade Barriers:** The meeting was held on 6-7 October 2003 in Istanbul. Its report has been circulated (Our letter No. TR/03/234 dated 13 November 2003). The Commissioners may give their comments on the subject and the report.
- **Egyptian proposal to host the Second Workshop on the Conservation of Farm Animal Genetic Resources before the end of 2003:** No date has yet been set (Decision 23).
- **Second Working Group Meeting on Energy:** The I. R. of Iran proposed to organize this meeting on 6-7 January 2004. So far, Egypt, Malaysia and Pakistan nominated their participants. Its report may not however be available for consideration at the time of the Commission Meeting.
- **Training Program on Privatization:** In response to Decision 26 the program was first scheduled to take place on 8-13 December 2003. However, it had to be postponed to 26-31 January 2004 due to inadequate number of nominations. So far, Indonesia and Turkey nominated their participants.
- **Workshop on Poverty Alleviation: Reforms and Development Measures:** The workshop was long ago planned by the I. R. of Iran but twice postponed due to inadequate number of nominations. The Commission invited at its XII. Session the member states to confirm their participation. (Decision 31). The host country has this time proposed to organize this workshop on 26-28 January 2004. However, so far no member has made any nomination for participation.
- \* **Workshop on Insurance:** Egypt proposed to organize the Workshop after the Summit on 1-2 March 2004.

- **Meeting of the Executive Committee of the Business Forum:** In preparation of the Second Session of the Business Forum which is planned to take place alongside the IV. Summit, the I.R. of Iran has proposed to organize the Meeting of the Executive Committee in Tehran on 29 December 2003. However, the host country has recently decided to postpone this meeting to the second half of January due to the fact that only three members (Egypt, Pakistan and Turkey) nominated their participants.

5. The Distinguished Commissioners may also wish to discuss further steps with a view to strengthen D-8 cooperation in the field of telecommunication & information and science & technology in the light of the conclusions of the World Summit on Information Society as the gap between the developed and the developing countries is rapidly widening in this field. I have prepared a brief analysis on the information and telecommunication technology in the member countries and its impact on e-commerce, which is circulated in the attachment of Our letter No. TCI/03/260 dated 12 December 2003.

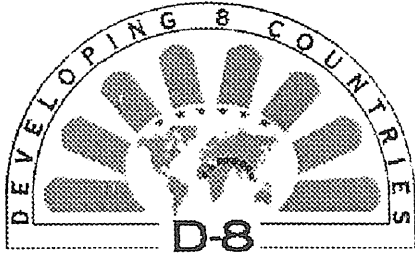
6. The I. and II. parts of the draft Tehran Declaration have been circulated in the attachment of Our letter No. COM/03/242 dated 23 November 2003.

7. The Distinguished Commissioners may brief the Commission on the steps their Governments have taken and are considering to take in connection with the above mentioned subjects as well as on others presented in the follow-up chart.



## **SYNOPSIS OF VARIOUS IDEAS ON REVITALISATION**





## Office of the Executive Director

---

Address : Müşir Fuad Paşa Yalısı.  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

2 December 2003

### SYNOPSIS OF VARIOUS IDEAS ON REVITALISATION

#### INDONESIA

(Views expressed here are not necessarily representing the official position of the Government of Indonesia)

\* It is essential to have a convergence of view that revitalisation is a wide-ranging effort that requires a state of mind, openness to new ideas and partners, continuous search for better ways of doing our work, commitment to maximum achievement and willingness to change.

\* Liaison with other regional/international organisations should be further encouraged.

\* D-8 program activities should be participatory, result-oriented, private-sector driven. In order to improve D-8 cooperation, the following points merit further consideration:

- setting out policy guidance for implementing D-8 programs and activities.
- comprehensive review of technical cooperation activities in key areas should be conducted to avoid duplication and overlapping.
- the D-8 activities should be realigned with the priorities of development as set out in the Millenium Development Goals.
- monitoring a follow-up action and implementation of a program's recommendations.

\* Financial constraint is usually the barrier for a member country to participate in D-8 program and projects. Therefore, it is recommended that the host country cover all the expenses, including international travel for an eligible participation. In this respect, the host country could work together with other institutions as well as seek



financial support from relevant international organisations or donor countries. Furthermore, private sector and scientific institutions should be encouraged to get better involved in the project proposed, particularly for the initial financing. The role of the Executive Director in seeking financial support from potential donors or international institutions is crucial. (Remark by ED: This is rather an over-optimistic expectation.)

\* The D-8 Coordinating Unit should continue in its existing format since setting up of a permanent unit/secretariat will cause additional burden.

### MALAYSIA

\* Establishment of dialogue with major economic powers in the world including China, Japan, Russia, Singapore, etc. for the expansion of economic and commercial linkages. To this end, D-8 should internally integrate its component markets to increase productivity and attract more investments and expand trade.

\* Expansion of the staff member and the mandate of the Office of the Executive Director and accordingly increasing the current amount of contributions. Establishment close link between this Office and all D-8 Embassies in Ankara.

\* Opening the membership of D-8 to muslim countries especially Saudi Arabia.

### PAKISTAN

\* Focus on practical projects that affect the quality of life of people and their ability to progress, such as water conservation, pure drinking water access, drip irrigation, science and technical education and research, people to people contact not just in trade but also amongst the youth and educational institutions.

\* Development of institutional linkages with IFI's (World Bank, IMF, Asian Development Bank, EU) apart from the Islamic development Bank. Also linkages with regional organisations such as ECO, SAARC and ASEAN. Representation of D-8 by the diplomatic missions in the capital of these organisations by establishing relationship with them at the working level.

\* Enlargement of the Office of the Executive Director with the addition of two Deputy Directors and making it fully responsible for project implementation.

### Remarks by ED on the following ideas:

- It is difficult at least at this stage to appoint a permanent officer in the OIC Secretariat for liaison with D-8 since our efforts to establish relationship between D-8 and OIC were in the past forestalled for well-known reasons.

- It is also difficult to conceive the D-8 with only eight membership to become the activist ECOSOC type arm of the OIC. As is known, COMSEC which annually meets performs this task.

- As the Expert Group on Customs Procedures- Elimination of Trade Barriers and Trade Preferences has so far met three times and will continue its work for the

expansion of trade and economic cooperation among the D-8 countries, there may not be any need to establish yet another ad hoc working group.

### **EXECUTIVE DIRECTOR**

\* Necessary measures to ensure timely organisation of the meetings and the programs in various sectors, expeditious communication between relevant departments, timely nomination of participants, satisfactory attendance at the meetings by the experts from capitals, thorough preparation by the participants for the meetings, written comments well before the meetings as required.

\* Holding from time to time meetings at ministerial level, especially in the fields of economy/trade, finance, industry, energy and agriculture.

\* Ensure convening the regular meetings of the Commission twice a year as required in the Document "Structure and Functioning" with a view to better follow up the program and projects and their implementation.

\* PR activities to grow the interest of the public opinion in the member countries, including private sector, NGOs, scientific institutions and thus to raise the image of D-8

\* Measures to ensure an effective exchange of information and experience through the internet.

\* Devising a monitoring mechanism by each member country to follow up at the national level the implementation of the recommendations and decisions taken. Presenting a report to each summit thereupon.

\* Better utilisation of the expertise and assistance of UN specialised agencies and other international organisations by seeking more often the participation of their experts in D-8 meetings and in the preparation of the projects.

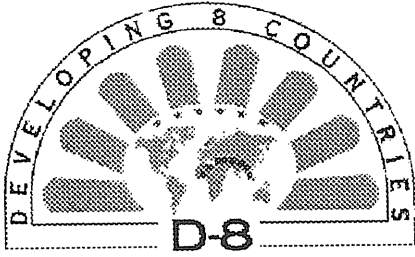
\* Development of a common D-8 vision and coordinated position as much as possible on world economic issues.

\* Amending the structure of the Coordinating Unit and accordingly expanding its staff member and mandate as well as increasing yearly contributions by the members.



**THE REPORT (REVISED) OF THE SPECIAL AND XIV. SESSIONS  
OF THE COMMISSION**





## Office of the Executive Director

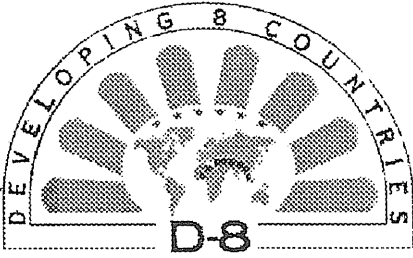
---

Address : Mûşir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

### The Report (Revised) of the Special and XIV. Sessions of the Commission (Tehran, 10-12 January 2004)

1. The Commission held its Special Session in Tehran on 10-11 January 2004.
2. At the outset, the Commissioners and the Executive Director expressed their condolences and sympathies on the tragic earthquake which recently devastated the city of Bam. They shared profound grief of the Iranian people and wished Almighty Allah to bestow its blessing on those who lost their lives.
3. The Commission undertook extensive discussions on the measures to revitalize D-8 activities and enhance the effectiveness of D-8 cooperation and adopted a series of recommendations to be submitted to the Council of Ministers. The text of the recommendations is attached herewith.(Annex)
4. XIV. Session of the Commission was held on 12 January 2004.
5. The Executive Director briefed the Commission on the activities since the XII. Session of the Commission at which several meetings, seminars had been approved. He stated that since then only the Third Expert Group Meeting on Trade Preferences, Customs Procedures and Trade Barriers was convened while some were postponed due to the inadequate participation and no date was set for others. The Executive Director brought the outcome of the report of the Third Working Group to the attention of the Commissioners.
6. In the light of the recommendations made at the Special Session whereby the Commission emphasized the priority of trade and trade related matters within D-8 cooperation, it was agreed to convene of the meeting of high officials of the D-8 ministries of trade alongside the Tehran Summit to discuss the subjects approved at the Special Session.
7. The Commission then considered all the technical meetings which had been approved at the XII. Session, including those postponed, and in the light of the recommendations made at the Special Session decided to adopt at its next session a calendar of events for the current year on the basis of the feed back from the member states, indicating their interests as well as tentative dates for their convening by the host countries. The list of these meetings is attached herewith.

8. Concerning the meeting of prospective partners and potential shareholders of the IMTC which had to be postponed, the Commissioner of Egypt informed the Commission that their Chambers of Commerce could not receive any response from other D-8 Chambers in the course of consultations conducted on the margins of various meetings of D-8 private sectors, adding that she could not however take any position on this matter before consulting their relevant authorities about the fate of this project. In the discussions, it was suggested that the meeting of the Business Forum will provide yet another opportunity to ascertain the interest of the D-8 private sectors in this project.
9. In view of the importance of the shipping for the expansion of intra-trade, the urgency was stressed to organise the working group meeting on shipping which was pending for the last three years. The Commissioner of the I.R. of Iran stated that taking advantage of the Summit, they would endeavour to convene this meeting. It was also suggested that in case Bangladesh may not be in a position to do so, another member country may volunteer to organise this meeting at an early date.
10. The Commissioner of Malaysia informed the Commission of the invitation of his authorities to the D-8 governments and private sectors to join the ASEAN Retakaful International LTD. and circulated the text of this offer. In case the member countries are interested, the Company will be converted into D-8 Retakaful LTD.
11. The Iranian Commissioner briefed the Commission on the preparations for the Tehran Summit and responded to various questions raised in this respect. A briefing note is attached herewith.
12. The Commission considered draft text of the Tehran Declaration for submission to the Council of Ministers. Final reading of the text will be done at the XV. Session which will precede the Summit.
13. The Commission expressed their profound thanks and gratitude to the Iranian Government for its warm hospitality and excellent arrangements. They also congratulated H.E. Dr. Seyed M. Hossein Adeli for his very able chairmanship to conduct the meeting of the Commission in the most effective way.



## **Office of the Executive Director**

---

Address : Müşir Fuad Paşa Yalısı,  
Eski Tersane, Emirgan cad.  
No:90 İstinye 80860  
İstanbul/TURKEY  
Tel : +90 (212) 277 55 13  
+90 (212) 277 55 14  
Fax : +90 (212) 277 55 19

**Annex**

**10-11 January 2004**

### **Recommendations by the Commission at its Special Session on the revitalization of D-8 Cooperation**

1. In order to demonstrate the importance we attach to the D-8 cooperation, we should consolidate our D-8 vision, based on the goals and principles embodied in the Istanbul Declaration.
2. To be more focused and enhance efficiency, we have to prioritize and set targets on selected core subjects on annual basis. Based on each year's priorities, we have to review/evaluate the D-8 programs and define whether they are viable/non-viable, realistic/non-realistic, affordable/non-affordable; we then have to set time frame for the implementation of projects and announce calendar of events on annual basis following the discussions and approval at the first Commission meeting of each year.
3. We should ensure convening the regular meetings of Commission twice a year as required in the Document "Structure and Functioning" with a view to better follow up the program and projects and their implementation. We should also take necessary measures to ensure timely organization of the meetings and the programs in various sectors, expeditious communication between relevant departments, timely nomination of participants, satisfactory attendance at the meetings by the experts from capitals, thorough preparation by the participants for the meetings, written comments well before the meetings required.
4. In order to create a conducive environment for cooperation and to facilitate interaction among the member countries, we should attempt to connect our economies and markets by eliminating/reducing tariff and non-tariff barriers and harmonizing



economic and trade policies and regulations. To this effect, priority of trade and investment i.e. elimination of trade barriers, free trade, etc. has been emphasized.

5. We are of the opinion that engaging in negotiations to conclude TPS (Trade Preferential System) or FTA (Free Trade Area) arrangements within the context of D-8 on the basis of a framework agreement would further advance the objectives of our cooperation. To this end, special meeting of trade ministers is recommended to be convened. A high level expert group meeting would also be held to prepare the meeting of trade ministers.

6. In order to enhance its participation in D-8 cooperation, we have to create conducive environment for the private sector by offering various incentives including extending credit facilities, organizing meetings and seminars amongst the chambers of commerce, granting visa facilities, etc.

7. Whereas the Commissioners are the focal points of D-8, there is a need to devise a mechanism on sectoral basis to report to the Commissioners and facilitate for them to monitor the implementation of the projects and decisions in each member country.

8. Taking into account the failure of the WTO Cancun Ministerial Meeting, which represents a major setback to the objectives of global growth and poverty reduction and macro economic imbalances in world economy, we have to engage in consultations and in efforts to harmonize our position in multilateral trading discussions as well as in other international conferences as appropriate.

9. In order to promote public awareness of D-8 and its activities in our countries, we could establish relationship between universities, scientific institutions, NGOs, etc., and organize cultural activities and sports events, offer field trips and scholarships for the students of the D-8 member countries. It is recommended that the meetings of D-8 Ambassadors to be hosted by the Commissioners be held every three months in each Capital. In New York, Permanent Representatives are also recommended to meet for consultations on subjects of common interest.

10. We decided to commemorate June 15 as the D-8 day every year in each Capital.
11. In order to give impetus to D-8 sectoral cooperation, we recommend that ministerial meetings be held as required and approved by the Commission.
12. We should strengthen the exchange of information by way of feeding and updating the ITDB and other data bases regularly.
13. We should establish working relationship including dialogue partnership with other international organisations with priority of UN agencies and those who are willing to offer their financial and technical assistance. Their experts could be invited to participate in D-8 meetings and to jointly develop concrete projects. In the case of non-member countries who are ready to offer their financial and technical assistance, the decision will be taken by the Commission on a case-by-case basis with the approval of each D-8 member.
14. The view was expressed that the existing structure of the Secretariat and its budget should be kept as it is under the present circumstances. In case the Secretariat is given additional mandate for the enhancement of the activities, then its structure, staff and the budget would be reviewed. Secondment of the Secretariat by the members with their experts might also be considered.