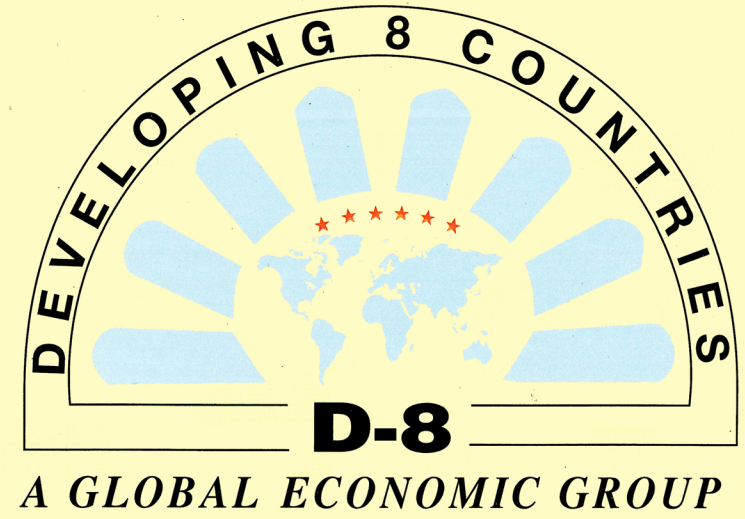


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A GLOBAL ECONOMIC GROUP FIRST AND SECOND SUMMITS 1997 - 1999



**MEETINGS
BETWEEN
FIRST AND SECOND SUMMITS**

1997 - 1999

MEETINGS
BETWEEN
FIRST AND SECOND SUMMITS

1997-1999

OFFICE OF THE EXECUTIVE DIRECTOR
Istanbul, May 1999

9

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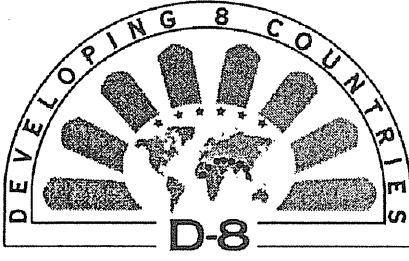
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PART I

FIFTH SESSION OF THE COMMISSION

REPORT OF THE COMMISSION



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D-8/COM V./Report

24 April 1998

REPORT

Fifth Session of the Commission

1. The Commission of D-8 held its Fifth Session in Istanbul on 23-24 April 1998. The following countries attended the meeting: Bangladesh, Egypt, Indonesia, Iran, Malaysia, Pakistan and Turkey.
2. The meeting, which took place in a cordial atmosphere, was inaugurated by a keynote speech by the Turkish Minister of State H.E. Mr. Ahat Andican.
3. The closed session commenced with the opening statement by the Chairman-in-Office the Commissioner of Turkey Ambassador Yaman Başkut.
4. The Commission considered the draft agenda and adopted it as submitted in Document D-8/COM.V/Agenda Rev. I. Thereafter, the Commission accepted the Work Program. Upon the suggestion by the Chairman, an open-ended drafting committee was set up.
5. The Executive Director's statement contained a brief analysis of the world's economic outlook in the light of the recent financial crisis in the Far-East with particular reference to the D-8 countries, followed by the main points of his report which had earlier been circulated. The text is attached herewith.

6. The Commission considered the items included in its Agenda in the same order. A brief account of the discussions on them is submitted herebelow:
7. **Item 4/a Agriculture (Aquaculture)**: The Commissioner for Pakistan presented the report of the Workshop on Aquaculture. He noted that the recommendations made by the Workshop could be implemented with the minimum expenditure, which was in line with the general policy for D-8 cooperation. The implementation of these recommendations had an excellent chance of achieving progress in this sector. Others who took the floor expressed their support for the recommendations as well as the views pronounced by the Delegate of Pakistan. It was also noted that the existing mechanisms of FAO and NACA might be utilised for promotion of D-8 cooperation, including inter alia, exchange of information in this field.
8. **Item 4/b Industry (Agricultural Aircraft)**: The TAI representative from Turkey briefed the Commission about the meeting on "Agricultural Aircraft". Many members stated that their governments were in favour of manufacturing of a "multipurpose civilian aircraft" which might be utilised not only in agriculture but also in accomplishing other tasks i.e., extinguishing forest fires and in rescue operations, etc. Sharing this understanding, Bangladesh joined others who had in the past shown their keen interest in this project. The Commission reached a consensus along these lines while recognising that for the time being the name of the project could remain the same as was adopted by the Istanbul Summit.
9. **Item 4/c Finance-Banking-Privatization (Takaful)**: The Commissioner for Malaysia briefed the Commission on the outcome of the Seminar on Takaful which took place in Kuala Lumpur.
10. **Item 4/d Poverty Alleviation and Human Resources Development**: The representative of Indonesia briefed the meeting on the prospective Workshop on Poverty Alleviation in Jakarta on 16-19 June 1998. The papers on the terms of reference and information on the Workshop were distributed in the meeting. The member countries were invited to send their experts to the Workshop.

11. **Item 4/e Telecommunication and Information (Establishment of an Industrial and Technological Data Bank Network)**: The Commissioner for Iran informed of the preparations carried out by his government for the implementation of the project “Establishment of an Industrial and Technological Data Bank Network”. He emphasized the importance of receiving as soon as possible the replies from member countries to the questionnaire circulated to this effect. Malaysia and Indonesia indicated that they had recently given their replies. In this connection, it was also pointed out that, in view of the complexity of the issue, more information was required. The Commissioner for Turkey stated that his government has recently established the Turkish Academic Network and Information Center (TANIC) as a step for the implementation of the project considered under this Item. On the other hand, members expressed their preference for a meeting of the Working Group to take place in early June rather than end of May.

12. **Item 4/f Trade (Establishment of an International Trading and Marketing Company)**: The Commissioner for Egypt presented the pre-feasibility study prepared by his authorities concerning the establishment of an “International Trading and Marketing Company” and invited the member countries to send their comments on it. He added that pending its establishment, practical steps might be taken in the field of trade promotion, trade support, etc. He further stated that in order to meet the data needs in relation to trade, his government engaged the Kompas International to prepare a paper, which was circulated during the session. He added that five members were already covered by the Kompas. The Commissioner of Egypt also informed the session that his government was ready to organise a workshop to discuss the simplification, streamlining and harmonisation of banking procedures related to foreign trade.

The members agreed that it was necessary to increase the volume of intra-trade amongst the D-8 countries. They added that they would send their views on the pre-feasibility study after thoroughly studying it. The Turkish Commissioner drew the attention to the paper prepared by the Istanbul Chamber of Commerce on the Business Services Centers, taking into account the importance of these centers in

providing support to the small and medium-size enterprises at all stages from production to export.

In the context of trade, attention was also drawn to the need to address the problems of shipping.

13. **Item 5/a Agriculture (Bio-technology):** The role of bio-technology for increasing the productivity and output in agriculture was raised. The meeting, taking into account the difficulty involved in organising a working group or expert meeting on bio-technology between now and the Summit of Dhaka, decided that Pakistan as the coordinating country should consult with the member countries by sending out a questionnaire to explore possibilities of cooperation in bio-technology and its modalities, and that the outcome should be presented to the Dhaka Summit.
14. **Item 5/b Industry (Cooperation in the field of contracting services, including establishment of joint consultancy firms):** The Commissioner for Egypt drew the attention to the fact that work had already been done within OIC to develop cooperation in the field of contracting services including establishment of joint consultancy firms, and added that we might first find out the outcome of this work.
15. **Item 5/c Finance-Banking-Privatization:** The Commissioner for Malaysia stated that he would consult with the member countries on the subjects mentioned under this agenda item to explore possibilities of cooperation thereupon.
16. **Item 5/d Poverty Alleviation and Human Resources Development (Training programs and technical cooperation):** In line with the suggestion by Indonesia, the member countries were advised to organise training programs for technical cooperation.
17. **Item 5/e Trade (Practical steps related to trade & shipping questions & establishment of business services centers):** This matter was taken up under item 4/f above.

18. **Item 6/a Rural Development and Micro-credit:** The Commissioner for Bangladesh briefed the session on the Working Group Meeting on Rural Development and Micro-credit. The Commissioner for Indonesia stated that out of seven projects, his government considered the second project “Training Program on Village Based Data Bank”(by Iran) and the sixth project “Promoting Rural Industrialisation by Comprehensive Approach”(by Egypt) as subjects of priority. Others stated they were studying the report and would soon give their replies.
19. **Item 6/b Health:** Commissioner for Turkey stated that his government recently proposed to take up the “AIDS Prevention Control Program” as a subject of priority amongst the recommendations made last year by the Working Group on Health and would convene a meeting in the Fall of 1998 on this subject.
20. **Item 6/c Science and Technology:** The Commissioner for Iran indicated that they would soon convene the Working Group on Science and Technology simultaneously with Telecommunication and Information for the implementation of its recommendations.
21. **Item 6/d Energy:** After a short exchange of views, the members agreed that the Chairman-in-Office might address a letter to the Commissioner of Nigeria to express on behalf of the Commission the importance all the members attached to the cooperation in the field of Energy and to convey their earnest hope to see the convening of the Working Group on Energy as soon as possible.
22. **Item 6/e Cultural Cooperation:** The Commissioner for Pakistan referred to the recommendations of D-8 Symposium held in Islamabad last year and underlined the importance of their implementation for strengthening the ties among the member countries. Others agreed with this evaluation for the promotion of common cultural heritage.
23. **Item 7 Public Relations:** It was noted that the public in the member countries should regularly be informed about D-8 activities. They added that D-8’s image would be enhanced as the progress would be achieved in major areas of

cooperation. In this connection, they appreciated the attempt of the Executive Director to prepare in English a synopsis of a brochure for circulation in the member countries. Some added that the data given on individual countries could be updated on the basis of additional information which would be provided by them. They also stated that a reference to the areas of cooperation would be useful while cautioning that a lengthy brochure would not be effective to create the necessary impact. Most members indicated that they would have it published in their own language for a wider circulation.

24. **Item 8 Review of the arrangements for coordination:** The meeting discussed the arrangements for coordination, including the question of creating a coordination center, in line with paragraph 4.5 of the Istanbul Declaration, wherein it was stated that “the Second D-8 Summit shall review the arrangements for coordination in order to adopt a decision on the modalities, including the establishment of a coordinating center in Istanbul”. A consensus was reached that the member countries should review this matter between now and the Dhaka Summit. It was further agreed that the subject should be discussed at the next session of the Commission, prior to the Dhaka Summit, with a view to making a recommendation to the Heads of State and Government.
25. In this context, the meeting expressed its sincere appreciation of the excellent role played by the Executive Director and his staff in coordinating D-8 activities, including facilitation of the meeting of the Commission.
26. **Item 9 The question of establishing liaison with the OIC and other international organisations:** The discussion on the question led to the following conclusions that:
- (1) there was a linkage between this question and the issue of the review of the arrangements for coordination;
 - (2) these two items should therefore be considered in the next session of the Commission which would take place in Dhaka;
 - (3) the liaison should be cost effective, result-oriented and flexible.

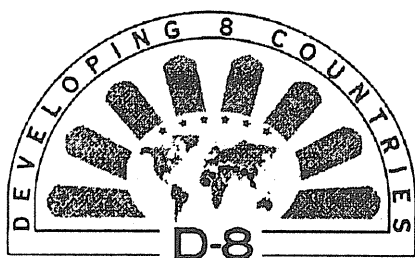
27. Item 10 and 7/b The dates of the Dhaka meetings, and the meeting of businessmen: Commissioners considered a suitable date for the forthcoming Dhaka Summit and decided to propose to their governments 28-29 November 1998 for the Summit Meeting, 26 November for the Council Meeting and 24-25 November for the Commission Meeting.

The Commission welcomed the Bangladesh proposal to convene, at the time of the Dhaka Summit, a forum involving the private and public sector representatives of the member countries. The meeting agreed that adequate preparations were required to make this forum successful. It was further agreed that individual member countries could circulate, through the Executive Director, specific suggestions for the forum. It was also agreed that the pre-feasibility study on the establishment of an International Trading and Marketing Company would also be circulated among the private and public sector representatives for discussion at the forum.

28. The Commission adopted 10 resolutions the text of which were attached as Annex V.

29. The meeting expressed its sincere appreciation to the Government of Turkey for its generous hospitality and excellent arrangements.

RESOLUTIONS



**Office of the
Executive Director**

24 April 1998

ANNEX V (10 Resolutions)

Item 4/a

1. Aquaculture

Commission,

Congratulating the Government of the Islamic Republic of Pakistan for organising a successful Workshop on Aquaculture, on February 17-19, 1998,

Appreciating the substantial contributions made by the participating countries to the meeting,

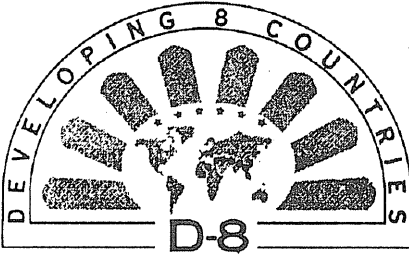
Observing that there exists large potential for cooperation in the field of Aquaculture amongst the member countries, for the purpose of bringing about a substantial increase for the production of fish products,

Believing that such cooperation will assist the member countries in their efforts to alleviate poverty, provide employment, improve nutrition, ensure food security, and increase foreign exchange earnings,

1. Expresses its profound satisfaction with the recommendations of the Workshop.
2. Encourages the promotion of cooperation among the members in need and those with capacity in the field of Aquaculture through various means such as adaptive research, training and capacity building, advisory services, transfer of technology, (including staff exchange and information provision), joint ventures

(including provision of facilities and materials), and trade and market development.

3. Requests the Executive Director to assist the member countries in developing joint action programs for cooperation in Aquaculture and in making the necessary arrangements between them.
4. Further requests the Executive Director to explore possibilities for obtaining assistance from international organisations to this effect.
5. Invites the member countries, that have not yet done so, to establish a D-8 Aquaculture Information and Monitoring Center (D-8 AIMC) at the most relevant State Agency for information exchange by the end of 1998 and accordingly inform the Executive Director.
6. Recommends the member countries to collaborate with the Government of Pakistan, the Coordinating country, for the compilation of a directory of Aquaculture experts, scientists, institutions and capabilities.
7. Underlines the importance of involving the private sector in Aquaculture development and accordingly recommends the members to create suitable environment supporting and facilitating such involvement.
8. Requests the Executive Director to follow-up the implementation of the Working Group recommendations, and to report to the next session of the Commission thereupon.
9. Invites the Government of Pakistan to organise a workshop in 1999 inter-alia to review the progress achieved in the implementation of these recommendations on the basis of the report referred to in para. 8 above.



Item 4/b

24 April 1998

2. Agricultural Aircraft

Commission,

Congratulating the Government of the Republic of Turkey for organising the Second Session of the Working Group on Industry on 24-25 February 1998 to discuss the project of Agricultural Aircraft and for the substantial preparation made for this project,

Appreciating the substantial contributions made by the participating countries to the meeting,

Emphasizing the importance of this project for all the member countries as it will constitute a joint endeavour symbolising the strong spirit of collaboration and cooperation amongst the D-8 countries and demonstrate their capability to develop projects of advanced technology as well,

Expressing its appreciation to the participating countries for their support to this project and their valuable technical contributions to the project,

Convinced that the Agricultural Aircraft project will be the first step for developing a wide ranging economic and industrial cooperation amongst D-8 countries which will help promote the image of the group in and outside the D-8 member countries,

1. Endorses the outcome of the Working Group and the consensus that the aircraft should be built for multi purpose civilian usage in order to broaden and enhance its marketing prospects in and outside the D-8 member countries.

2. Welcomes the establishment of a Study Group to follow-up the work on this project with the first meeting taking place on 11-12 May 1998.
3. Appreciates the undertaking of the relevant Turkish Authorities to soon present a draft of the working principles for the Study Group.
4. Requests the member countries to give as soon as possible their responses to Configuration Requirements Questionnaire and their additional comments thereupon.
5. Invites the members of the Study Group to recommend on the work sharing modalities on the basis of the capability, quality, comparative advantage and competitiveness criteria.
6. Also invites the member states to complete the market research for this aircraft in their respective countries on the basis of their current and future needs and submit as early as possible their findings to the Study Group for its consideration.
7. Requests the Study Group to also take into account in the production projections the needs of potential customers from non-members.



Office of the
Executive Director

Items 4/c and 5/c

24 April 1998

3. Finance - Banking - Privatization

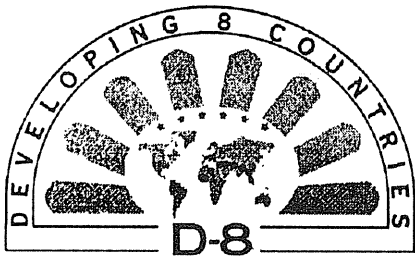
Commission,

Congratulating the Government of Malaysia for the successful conclusion of the Seminar on Takaful in Kuala Lumpur on 30 March - 1 April 1998,

Appreciating the substantial contributions made by the participating countries to the meeting,

Convinced that the Seminar has offered a unique opportunity for discussion and sharing of experience and has therefore been very useful in initiating similar schemes in member countries,

1. Requests the assistance of the Malaysian Government as the Coordinator of Finance, Banking and Privatization sector to consider new lines of cooperation as recommended by the Working Group Meeting held on 19-20 May 1997, such as cooperation in the strengthening of capital markets and privatization.



**Office of the
Executive Director**

Items 4/d and 5/d

24 April 1998

**4. Poverty Alleviation
and
Human Resources Development**

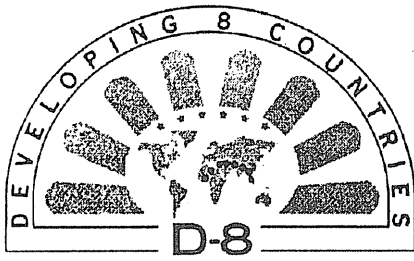
Commission,

Appreciating preparatory work done by the Indonesian Authorities to convene the Workshop on Poverty Alleviation on 16-19 June 1998,

Convinced that the Workshop is designed to respond to and address the poverty problem facing many people in the D-8 countries,

Confident that the success of the workshop will contribute to the D-8 member countries future cooperation in the field of Human Resources Development,

1. Invites the member countries to send their experts to the Workshop.
2. Welcomes the organization by Indonesia in 1998 of TCDC training programs relevant to poverty alleviation efforts to which other D-8 member countries can send their participants.
3. Encourages the member countries to organise similar training programs, especially in the sectors for which they are acting as coordinators, as they will stimulate technical cooperation amongst the member countries.



Items 4/e and 6/c

24 April 1998

5. Telecommunication - Information
and
Science - Technology

Commission,

Underlining crucial role of building-up modern technology in the overall economic development,

Believing that exchange of information related to technology will usher in a new era of cooperation amongst the member countries,

Convinced that the Establishment of an Industrial and Technological Data Bank Network will be instrumental to sharing technology amongst the member countries,

Appreciating the lead role of the Islamic Republic of Iran in its capacity as coordinator of the Telecommunication-Information and Science-Technology,

Taking note of the steps taken by Turkey to set up the Turkish Academic Network and Information Center (TANIC) as a focal point/national center which is linking all scientific and research institutions and universities both in private and public sectors,

1. Welcomes the decision of the Islamic Republic of Iran to convene the second session of the Working Groups on Telecommunication & Information and Science & Technology to discuss the project of Data Bank Network.

2. Invites the member countries to give their replies to the questionnaire prepared by the Islamic Republic of Iran well before the meeting.
3. Recommends the member countries, that have not yet done so, to designate their focal points in their national centers which would be linked through the D-8 Center in Tehran.
4. Expresses its earnest hope that agreement will be reached on all questions related to the establishment of the Data Bank Network and that it will become operational by early 1999, at least initially amongst those who will be able to complete the prerequisites by that time.



Items 4/f and 5/e

24 April 1998

6. Trade

Commission,

Congratulating the Government of the Arab Republic of Egypt for organizing a successful Workshop on Trade held in Cairo on 4-5 June 1997,

Appreciating the substantial contributions made by the participating countries to the meeting,

Taking into account that development of foreign trade is of vital importance for all members,

Considering that the present level of intra-trade amongst D-8 countries constitutes a small fraction of their overall trade with the whole world,

Believing that there exists large potential for the promotion of intra-trade in D-8 region,

Convinced that D-8 cooperation in the sector of trade is therefore a matter of high priority,

1. Expresses its profound satisfaction with the recommendations of the Cairo Workshop on Trade on 4-5 June 1997.
2. Thanks the Government of Egypt for the pre-feasibility study prepared on "The Establishment of an International Trading and Marketing Company" for removing impediments to the development of trade.

3. Invites the interested member countries to submit, to the Executive Director, before June 30, 1998, their pre-feasibility studies as called for during the Cairo Workshop on Trade on 4-5 June 1997.
4. Also invites the member countries to submit, to the Executive Director by the same date, their comments on the pre-feasibility study prepared by Egypt.
5. Requests the Executive Director to convey the consolidated comments on the Egyptian pre-feasibility study, with an analytical synergy, to the Egyptian authorities in order to bring the pre-feasibility study in line with these comments and submit it to the next Session of the Commission with a view to engage an independent firm to conduct the “**Feasibility Study**”.
6. Considers it worthwhile to take some practical steps for the promotion of trade pending the establishment of the International Company referred to above.
7. In this vein,
 - a) **in the field of export promotion:**
 - i) Recommends member countries, that have not yet done so, to determine a focal point at the most relevant State agency, which will be responsible for cooperation in the field of trade, and communicate its name to the other members through the Office of the Executive Director,
 - ii) Invites the member countries to exchange upon request information related to trade by using the channel of focal points,
 - iii) Requests the Egyptian Authorities to circulate, through the Executive Director, a questionnaire on the feasibility of the use of the existing mechanisms (OICIS-NET and ICDT) for the exchange of trade information under OIC and report its findings at the next Session of the Commission.

b) in the field of export support:

Requests the Egyptian Authorities (or any other member authorities who may volunteer) to consider convening an expert group meeting to study:

- i) Ways and means to better utilise the trade support mechanisms existing under OIC and additional steps to be taken,
- ii) Measures to simplify and harmonise banking procedures concerning foreign trade as well as to facilitate correspondence arrangements.

c) in the field of shipping:

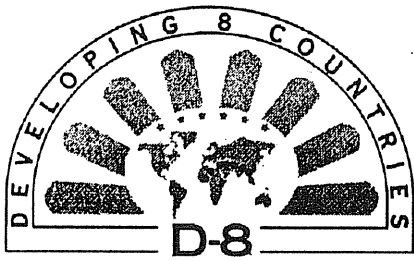
Requests the Egyptian Authorities (or any other member authorities who may volunteer) to circulate, through the Executive Director, a questionnaire and report to the next Session of the Commission its findings on:

- i) The overall problems faced in the field of shipping,
- ii) The feasibility of utilising the services of the BASCO, recently established under OIC, as well as additional measures to be taken.

d) on Business Services Centers:

Invites the member countries to submit their comments to Executive Director by July 31, 1998, on the paper prepared by the Istanbul Chamber of Commerce and the paper submitted by Egypt entitled "Preliminary Scheme for the Establishment of a Trade Database for D-8 Group" on this matter.

Requests the Egyptian Authorities in light of these comments to report to the Commission at its first session after the Dhaka Summit on the feasibility of establishing such centers.



**Office of the
Executive Director**

Item 5/a

24 April 1998

7. Agriculture

Commission,

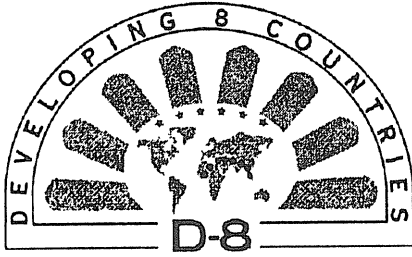
Taking into account the fact that a large segment of the population in the member countries is working in agriculture,

Considering that a significant number of this population in agriculture has a low standard of living and is even suffering from malnutrition,

Believing that for the improvement of their living conditions, significant increase in agricultural output is of crucial importance,

Also believing that the increase of agricultural output by way of raising productivity, the use of high-yield and disease-resistant seeds amongst various other measures is of vital importance,

1. Invites the assistance of the Government of Pakistan to consult with member states, through a questionnaire, and solicit their views regarding the modalities of cooperation in the field of gene improvement/bio-technology as well as explore possibilities of technical cooperation in the agricultural sector, taking into account the conclusions of the Working Group Meeting on Agriculture, held in Islamabad on 28-29 May 1997.



Item 6/a

24 April 1998

8. Rural Development

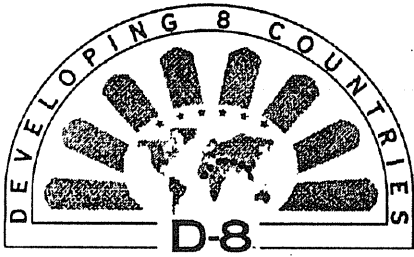
Commission,

Congratulating the Government of Bangladesh for successfully organising the First Working Group Meeting held in Dhaka on 20-21 October 1997, on Rural Development and Micro-credit,

Appreciating the substantial contributions made by the participating countries to the meeting,

Taking note with satisfaction of its report,

1. Invites the member countries to inform the Executive Director of their priority amongst the seven projects identified by the Working Group so that one is picked up as a priority project.
2. Requests the Executive Director to seek, if possible, assistance from potential donor countries and/or international organisations in the implementation of the project.



Item 6/b

24 April 1998

9. Health

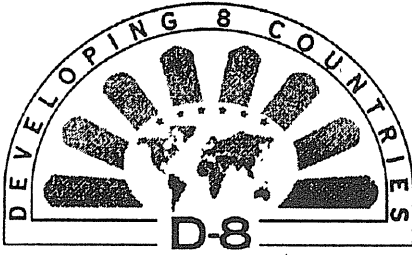
Commission,

Congratulating the Government of Turkey for organizing a successful Working Group Meeting on Health in Ankara on 9-10 June 1997,

Appreciating the substantial contributions made by the participating countries to the meeting,

Taking into account the fact that the disease of AIDS is spreading in an alarming speed with devastating effects for the whole mankind,

1. Welcomes the proposals recently made by the Turkish Government to convene the Second Session of the Working Group around the Fall of 1998 to discuss "the AIDS Prevention and Control Program" as the subject of priority.
2. Invites the member countries to bring their valuable contributions to this meeting, in order:
 - a) to exchange information and experience in this field,
 - b) to render technical assistance to each other,
 - c) to develop joint action programs for AIDS prevention and control, possibly with the help from WHO and other UN agencies, well known private and public health institutions in the world as well as international financial institutions and the donor community.



Item 7/a

24 April 1998

10. Public Relations

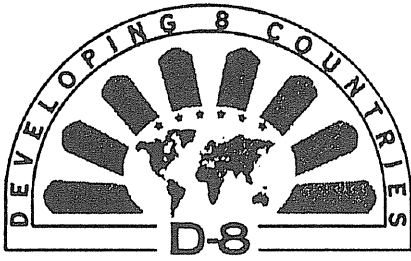
Commission,

Taking into account that the public in the member countries needs to be regularly informed about the D-8 Group, its objectives and activities,

Recognising that the success of the D-8 Group depends to a large extent on the support to be given to the cause of D-8 by the public, i.e., media, parliaments, business circles, universities and research institutions etc.,

1. Highlights the necessity to initiate PR activities in the member countries to this effect.
2. Recommends the member countries to take the necessary steps to inform their public about D-8 and its activities by utilising suitable means and occasions.
3. Appreciates the work done by the Executive Director to prepare a synopsis of brochure in English to inform the public about D-8.
4. Invites the member countries to give their comments on it so that the Executive Director finalise the text in the light of these comments and have it printed.
5. Recommends the members to have the same published in their own languages for a wider circulation in their countries.

REPORT OF THE EXECUTIVE DIRECTOR



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D-8/COM.V./ED.Rep.
03 April 1998

V. SESSION OF THE COMMISSION

REPORT OF THE EXECUTIVE DIRECTOR

I am very pleased to report that significant progress has been achieved in the implementation of the priority projects and the D-8 train is moving fast in spite of the fact that the organisation is still in infancy. This is thanks to the great enthusiasm and willingness on the part of the member countries as has once again been observed in the informal consultations held by D-8 Heads of State and Government in Tehran as well as by the Foreign Ministers in New York and in Doha. This is also thanks to the serious follow-up action taken by the member states in connection with decisions and recommendations earlier adopted by various Working Groups. Therefore, I would like to express my profound thanks and appreciation to the Governments of D-8 countries and their Commissioners for their hard work and support for the success of the organisation.

Now I would like to give a **brief account of the activities of the organisation** in various fields as well as explain the issues which require decisions by the member countries in the same order of the items as enumerated in the Annotated Agenda.

AGENDA ITEM 4. (PRIORITY PROJECTS)

Aquaculture (Agriculture)

The Workshop on Aquaculture was successfully held in Islamabad on 17-19 February 1998. Representatives of FAO and the Network of Aquaculture Centers in Asia-Pacific have also taken part in the meeting. Bangladesh, Egypt, Malaysia, Pakistan and Turkey presented to the Workshop their country reports. In order to develop a collaborative plan of action, the workshop has also determined the existing capacities and needs of the individual countries. In the workshop, a series of recommendations have been adopted, including the establishment as a matter of

priority of a D-8 Aquaculture Information and Monitoring Center and the compilation of a Directory of experts, scientists, institutes and capabilities in the member countries under the coordination of D-8 Commissioner of Pakistan. **The Distinguished Commissioners are expected to take a decision both on the establishment of the Center and the compilation of a Directory mentioned above.**

Furthermore, as I have mentioned in my circular letter sent in early March, the Office of the Executive Director is ready to help the development of cooperation between the member states in need and those of capacity in various fields and to this aim elaborate joint action programs.

Agricultural Aircraft (Industry)

The Second Session of the Working Group on Industry met on 24-25 February in Ankara to discuss the priority project "Agricultural Aircraft". All the participants have shown great interest in the realisation of this project. Egypt, Iran, Pakistan and Turkey have made presentations to the meeting. The Working Group has also discussed the modalities of cooperation. It has been agreed that to follow up the work on this project, a Study Group be established and that each member appoint a permanent contact point to be the member of this Group. The Turkish Authorities have now proposed to convene the first meeting of the Study Group on 11-12 May 1998 in Ankara.

In the meeting, it has also been decided that Turkish Aerospace Industries (TAI) issue the working principles of the Study Group within one month after the first meeting to the member countries for their consideration. Nevertheless, in order to expedite the work of the Study Group, TAI is now elaborating these working principles and will be able to circulate this month a draft text for a preliminary discussion in the first meeting of the Study Group.

On the other hand, TAI will be pleased to receive responses of member countries to "Configuration Requirements Questionnaire" and their additional comments before the meeting of the Study Group.

In my view, this project is of special importance to all the member countries for several reasons. Indeed, it will not only constitute a joint endeavour symbolizing the sense of collaboration amongst D-8 countries, but also demonstrate our capability to develop projects involving advanced technology. Furthermore, the achievement of this project will provide a unique opportunity to impress the public opinion within D-8 especially business circles, and thus to project the image of the organization. Therefore, I request the Commissioners to pay personal attention to the follow-up of this matter. **The Commissioners may take note with satisfaction of the progress already made and urge the member countries to take all the necessary steps for the realisation of this project without delay.**

Takaful (Finance, Banking and Privatization)

The Seminar on Takaful was held on 30 March-1 April 1998 in Kuala Lumpur. All the member countries have taken part. Several presentations have been made by the host country. The Seminar has evoked genuine interest on the part of all the participants. Indeed, it has been an excellent opportunity for discussion and sharing of experience.

Workshop on Poverty Alleviation (Human Resources Development)

The Workshop which was originally scheduled to be held on 16-19 March 1998 to exchange experiences in this field and to discuss poverty alleviation programs and policies etc. has been postponed by the coordinating country due to unforeseen circumstances. The Indonesian Authorities which have already sent the Terms of Reference for the Workshop is expected to propose a new date for this Meeting to take place before July next.

In September last, the Indonesian Authorities had informed that they will also be organising three training programs in the months of August, September and October 1998 on Community Health, Community Based Forestry for Environment Standards and Family Planning. As will be recognised, the development of human resources concerns every sector, and cooperation in this field has therefore a wide spectrum. In addition to the three training programs proposed by Indonesia, other members of D-8 may also organise in collaboration with Indonesia training programs in the fields in which they have expertise and experience. In the organisation of these technical cooperation programs, assistance from UN specialised bodies such as FAO, UNIDO, WHO, etc. may be obtained. **The Commissioners may invite the member countries to organise such programs, if wished in collaboration with UN specialised bodies.**

Industrial and Technological Data Bank Network (Telecommunication and Information)

The Islamic Republic of Iran has proposed that the Second Session of the Working Group on Telecommunication and Information be held either last week of May or first week of June to discuss this priority project. The Questionnaire prepared by Iran has been circulated to the member countries. It is important for the replies to be given by the members well before the meeting of the Working Group. In the meantime, a paper which has been prepared by the Turkish Authorities regarding the steps taken by them for the implementation of this project has been circulated to the member countries. **I suggest the Distinguished Commissioners to urge their relevant authorities to take the necessary steps for the implementation of this important project.**

International Trading and Marketing Company (Trade)

Since the final stage of any economic activity and the ultimate destination of a product is the market, the cooperation in this field is of vital importance to all the member countries. The present level of intra-trade in D-8, which is about \$ 14 billion yearly, constitutes a small fraction of the total trade of the member countries with the whole world, which is around \$ 400 billion. The ratio of the first figure to the second is about % 3.5. This mere fact reveals that there is large scope of cooperation in the field of trade.

The Egyptian Authorities have prepared a pre-feasibility study on this project. Its translation will reportedly be ready for circulation before the meeting of the Commission. Last year, the Working Group had decided that the study be first discussed in a Conference with the participation of representatives from public and private sectors. **The Commission may wish to pronounce on the study and decide how to proceed on this matter.**

Since the setting up of the Company mentioned above is likely to take some time, the member countries may wish to consider certain practical steps for the promotion of trade pending its establishment. I will address these measures and other issues related to trade under Agenda item. 5.

AGENDA ITEM.5

Additional Subjects of Cooperation in the Sectors Mentioned Under Agenda Item.4

As will be recalled, in its IV. Session, the Commission while deciding on six priority projects has also taken note with satisfaction of other projects recommended by the Working Groups and asked their Chairmen to continue their work on them (para.19 of its report). Accordingly, in the course of my consultations with the member countries in the months of October-November 1997, I have tried to seek their views on new subjects of cooperation. On the basis of these consultations, **I submit certain ideas herebelow for your consideration:**

Agriculture

A large segment of the population living in the member countries is working in agriculture and their standard of living is in general poor due to low productivity, a phenomenon which is also faced by all other developing countries. As is known, the world population is increasing every year by about 100 million and at present one billion people are suffering from starvation and malnutrition. Therefore, measures designed to increase the productivity in agriculture is of crucial importance for the

member countries too. For this purpose, it is in my view of vital to initiate a new line of D-8 cooperation in the field of Bio-technology. If agreed, experts may come together to discuss the areas and modalities of cooperation, taking into account the needs of member countries.

Industry

Industrialisation is an important component of development programs in the member countries. As will be recalled, several projects have been submitted to the first Session of the Working Group on Industry. While the work on the priority project "Agricultural Aircraft" continues, the Commission may start preliminary discussion on one or two more projects of importance to the member countries, the final decision being taken in the future. In addition, cooperation in the field of contracting services including establishment of joint consultancy firms may also be considered.

Finance, Banking and Privatization

I submit to the consideration of the Commission the subjects mentioned under item 5/c in the Annotated Agenda. In the field of privatization, the member countries may exchange information not only on their experience, but also on prospective privatization programs for eventual participation from the D-8 region.

As a general remark, I would like to point out that financing is an important problem for the realisation of D-8 projects. Necessary funds may be generated from private and public sources available within the D-8 region, and may as well be obtained from international financial bodies. In this context, I will address an aspect of the problem related to the trade financing under the following Chapter on Trade.

Trade

Also taking into account the proposals put forward by Indonesia in the letter dated 12 September 1997, in the course of my consultations with the member countries, I have discussed the practical steps which may be taken in the field of trade pending the establishment of the International Company. I am pleased to state that there is a general consensus on this approach. I submit herebelow some ideas for the consideration of the Commission:

Export Promotion

It is a fact that there is a lack of sufficient and accurate information in the field of trade. This gap must be filled. The Egyptian Authorities has already named the Trade Representation Office at the Ministry of Trade and Supply as the focal point for the cooperation in the field of trade. In case the other members take similar steps, these focal points may be interlinked through a system. The information thus exchanged may also be made available to the business circles in the member countries. This is the simplest approach.

In this connection, I would like to bring to your attention that there are two mechanisms already established under the OIC, namely, TINIC-OICIS-NET (OIC Information System Network) and ICDT (Islamic Center for the Development of Trade).

The first is composed of several components including Trade Information System. This mechanism has not yet been operational due to the ongoing work on the data bases of the OIC countries. It is going to function through the SITA System (Societe Internationale De Telecommunication Aeronautique). In order to utilise the OICIS-NET, subscription is required.

The ICDT, which is based in Casablanca and using web/inter-net system, is reported not to be functioning satisfactorily. This is due to lack of orderly flow of information from the member countries as well as personnel and financial difficulties.

In view of the above, the D-8 members may, pending the establishment of the International Company, utilise either mechanism in order to meet the information requirements provided that they orderly supply information related to trade. On the other hand, if they wish, they may also decide on having an independent information exchange mechanism of D-8, taking into account the heavy structure of the OIC with 54 members and slow operation of its mechanisms. If established, this D-8 mechanism can at a later stage be incorporated into the structure of the International Trading and Marketing Company. **The Commission may examine various options mentioned-above and take appropriate decisions.**

Trade Support Services

In order to encourage trade amongst the D-8 countries, financial support must be given in the form of export credit guarantees and trade insurance etc. Within OIC, there are already two mechanisms for the promotion of trade, namely, "the Cooperation For the Insurance and Export Credit" as well as "Export Credit and Longer Term Credit Financing Scheme". All the members with the exception of Nigeria are parties to these two mechanisms. It is reported that Nigeria is contemplating to also become the member of the Islamic Development Bank with the possibility of later joining the mechanisms mentioned above.

On the other hand, simplification and streamlining (harmonisation) of banking procedures concerning foreign trade as well as correspondence arrangements between banks in the member countries deserve serious attention. **I believe that an expert group meeting with the participation of specialists from the banking sectors of**

the member countries may review the existing banking procedures and consider as well whether export support schemes mentioned-above can better be utilised and what additional steps may be taken. Commission may pronounce on holding such an expert group meeting.

Shipping

In view of the wide geography of D-8 countries, rapid and low-cost shipment of goods emerges as an important problem. It is reported that in most cases it is quite difficult to readily find cargo vessels and tankers to transport goods from the Mediterranean Basin to Far-East and vice versa . Furthermore, western shipping companies are said to be dictating their terms including the freight rates. I believe that these problems are faced by all the members.

Since similar problems were also faced within OIC, the Islamic Shipowners' Association-OISA-(an affiliated body with OIC), to which all D-8 countries with the exception of Malaysia and Nigeria are members, was a few years ago entrusted with the task of setting up a Joint Shipping Company. After having completed the necessary work, the Executive Committee OISA has recommended the setting up of such a company under the name of Bakkah Shipping Company (BASCO). This recommendation has recently been endorsed by the OIC Summit held in Tehran December last. Though an important achievement, its operation may however take some time. I therefore believe that, **an expert group meeting may usefully be convened to discuss overall problems in the field of shipping within D-8 and to consider the measures which may be taken during this period until BASCO starts to function. The Commission may also pronounce on this proposal.**

Business Services Centers

The Turkish Chamber of Commerce while considering the establishment of the International Trading and Marketing Company has come up with the idea of Business Services Centers to be part of the International Company. The Istanbul Chamber is of the opinion that small and medium sized enterprises (SME's) play a prominent role in the overall development of developing countries and they should therefore be supported at all stages from the production to export. The Chamber believes that Business Services Centers would be instrumental to provide such a support. **The Commission may wish to consider this suggestion.**

Joint Business Councils

This subject to which reference has been made in the Istanbul Declaration may be discussed in the meeting with the participation of businessmen from private and public sectors which will be convened in Dhaka in November next on the occasion of the D-8 Summit.

AGENDA ITEM.6

Rural Development

The Working Group held a very successful meeting in Dhaka. Its report is before you. The Working Group discussed the policies of rural development and recommended seven projects. The Working Group has at the same time requested the Secretariat to take the necessary steps for the implementation of these projects. Taking into account the already established D-8 practice to start the implementation with one or two projects, I have written to the member countries to indicate their preferences. On the basis of replies, I will proceed and also try to seek sponsors from other countries and international organisations. **The Commission may express its appreciation the work done and endorse the recommendations for their swift implementation.**

Health

The Working Group had made wide-ranging recommendations in this field in its first session held on 9-10 June 1997. I have solicited the views of the Turkish Authorities for their implementation. **The Commission may invite the Coordinating Country to offer its views and consult with the member countries for the implementation of these recommendations.**

Science and Technology

The Authorities of the Islamic Republic of Iran have informed me that simultaneously with the Meeting of the Working Group on Telecommunication and Information, they are organising the Working Group Meeting on Science and Technology in either the last week of May or the first week of June to give a follow-up to its recommendations.

Energy

The Nigerian Authorities have assured me on several occasions that they will convene the First Session of the Working Group on Energy at a suitable date. I therefore believe that they will soon set a date for this important meeting.

Cultural Cooperation

The D-8 Symposium on "Cultural Dimensions of Development" held in Islamabad on 13-14 October 1997 has made certain recommendations to be carried out by D-8 Secretariat. The short report of the Symposium containing these recommendations is separately circulated for convenience. I submit them to the consideration of the Commission.

AGENDA ITEM.7

Another important topic I have brought up during my visits to the member countries is related to the image of D-8. Indeed, the organisation is not yet known in **the public opinion**. I strongly feel that it is necessary to initiate PR activities linked with a well-designed PR policy. One of the most important targets of these activities should be the private sectors in the member countries. To this aim, various measures may be considered i.e. statements by the governments, interviews with mass media (TV and press), organising panels and seminars on D-8 cooperation also with participation from the private sector, preparing pamphlets and brochures, etc.

We have prepared the skeleton of a draft brochure in English, ready for circulation. After studied and completed/ revised (as the case may be) by the member countries, it may be published both in English and in the languages of the member states for widest possible circulation.

In this connection, I would like to draw the attention to the proposal made by Her Excellency Madame Prime Minister of Bangladesh to convene a meeting of representatives from private and public sectors on the occasion of D-8 Summit which will be held in Dhaka November next. In their informal consultations in Doha, D-8 Foreign Ministers have heartily endorsed this proposal and held extensive exchange of views on this idea designed to involve businessmen and industrialists in D-8 cooperation. They agreed that the meeting should be well prepared.

In this vein, it would, I believe, be extremely useful if the outgoing and incoming Chairmen-in-Office (from Turkey and Bangladesh) may at the opening kindly address to this gathering of business representatives. In this way, they will be given a clear message that their governments are behind them and ready to give every support. Thereafter, the meeting may be structured into various groups according to the main fields of activity, in order to make it more fruitful. On the other hand, it would be worthwhile to consider the idea of simultaneously organising in Dhaka an exposition to ensure larger number of participation of businessmen.

Certainly, the organisation of a meeting of this magnitude on the side of the Summit and possibly of an exposition is not easy. Therefore, the chambers of commerce and industry as well as business councils in the member countries must get involved in their preparation.

The Commission may pronounce both on the PR issue and on the modalities of convening a meeting of businessmen in Dhaka on the occasion of the Summit and take appropriate decisions.

AGENDA ITEM. 8

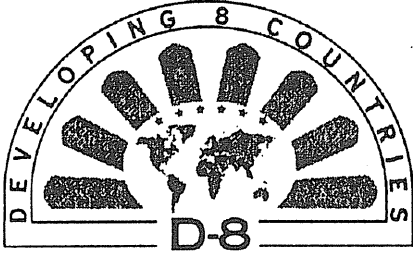
Another topic of importance I have also touched upon in my visits to the Capitals, is related to the **future of the Office of the Executive Director**. In my view, it is an absolute necessity to have a small unit of permanence (a Coordinating Center or whatever it may be called) composed of professionals which will not rotate but be stationed in a particular member country. A working paper on the subject has already been circulated for the consideration of the member countries. The paper explains its justification and objectives as well as addresses issues such as the structure, recruitment modalities, financial questions including models on scale of contributions. **I am confident that the Commission will take the right decision which would ensure the success of the organisation.**

AGENDA ITEM.9

The D-8 Heads of State decided in Istanbul that an appropriate mechanism be established to liaise with other international organisations, particularly with OIC. I felt the need to consult with the member countries before taking a step on this matter. **The Commission may address the issue on the basis of the Working Paper circulated on 13 March 1998.**

AGENDA ITEM.10

The Ministers in their informal meeting in Doha have underlined the urgency of setting a date for the Dhaka Summit. The Government of Bangladesh has now proposed to hold the Summit for two days within the time frame from 10 to 30 November 1998, leaving the precise dates to be agreed upon by the member countries. **I expect that the Commission to finalise the dates in this meeting so that the Authorities of Bangladesh will start the preparations for the Summit as soon as possible.**



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D-8/COM.V./ED.Rep./Addendum
22 April 1998

V. SESSION OF THE COMMISSION

REPORT OF THE EXECUTIVE DIRECTOR

1. Page.3: Workshop on Poverty Alleviation

The dates of the Workshop have been set by the Indonesian Authorities as 16-19 June 1998.

2. Page.4: International Trading and Marketing Company

The Egyptian Authorities have circulated the English translation of the pre-feasibility study on the International Company.

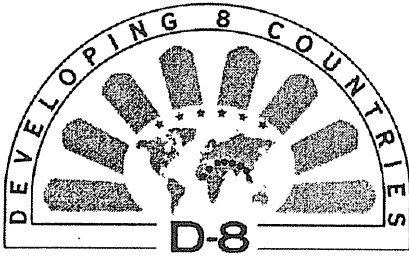
3. Page.6: Trade Support Services

In the first paragraph, please correct the reference to “the Cooperation for the Insurance and Export Credit” as “the Islamic Corporation for Insurance and Export Credit”.

4. Page.8: Health

The Turkish Authorities have proposed “the AIDS Prevention and Control Program” as the priority project in this field.

STATEMENT BY THE EXECUTIVE DIRECTOR



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23 April 1998

STATEMENT BY THE EXECUTIVE DIRECTOR (V. Session of the Commission)

Distinguished Commissioners,

I heartily welcome you all to the V. Session of the Commission.

First, I would like to give you a brief analysis on the world economic situation in the light of financial crisis in the Far-East, with particular reference to the situation in D-8 region.

In 1998, the recent economic crisis in some Asian countries will continue to have an impact on the world output, employment, and price levels in all countries; even though the impact will not necessarily be uniform.

In the aftermath of the crisis, the world GDP growth is projected to slow down to about 3 per cent in 1998, the lowest level recorded in recent years. Certainly, this represents an average while the extent of the decline for those economies in crisis will be deeper.

Initially, the adverse impact of the Asian crisis in industrialised countries, particularly in the US was not so much felt because of lowering of inflation and bond yields. However, these may change on account of a slowdown in export growth resulting from low demand for luxury and capital goods not only in Asia but also in all economies affected by the crisis.

Despite concerns about slowing down of economies, a world-wide recession is not expected now, as long as the situation does not seriously worsen in Japan. In this country, inventories are already too high and production is falling. Banks and other financial institutions are facing difficult days ahead. The situation may however improve if the government goes through with the necessary actions in the areas of fiscal policy and financial sector.

The impact of the Asian crisis on emerging markets is likely to be harsher. The extent of the damage inflicted upon, particularly in those countries that faced the crisis directly, will depend on their success in implementing the tough policies they

set for themselves. Certainly, the growth rate will not be anything like the previous years, but on average modest positive growth is forecasted for the Asian economies in 1998 and thereafter.

In the coming months, what China does in the area of currency devaluation will have a strong bearing on the emerging markets. At present, the expectation is that China will not devalue. However, if it does, problems faced by the Asian countries now emerging from crisis could worsen.

Our D-8 countries will also be affected by the fallout of Asian crisis in 1998 in varying degrees. In 1997, on average, growth rates were relatively high in these economies, going as high as 7 to 8 percent for some. Inflation remained at low to moderate levels, save the exception of Turkey.

However, it is difficult to repeat the same performance in 1998. In D-8 countries, growth targets and projections have already been downwardly revised. Malaysia and Indonesia are gradually getting out of the crisis. While Malaysia has basically overcome the shock, Indonesia is in the process of adopting and implementing the required reforms. Meanwhile, recent currency devaluations in these countries will help improve the competitiveness of their export products and dampen import demand, resulting in lower current account deficits.

Another important development for our D-8 countries is the sharp decline in petroleum prices. In the international markets, oil price has come down from 22 USD per barrel in the early months of 1997 to about 12-13 USD currently. While this may be a boost for the economies of oil importers, it will clearly add to the problems of the balance of payments and of public sector finances of our oil exporting members, including Iran, Indonesia and Nigeria.

Projected slow-down in world-wide economic growth in 1998 will obviously cause a decline for the exports of D-8 countries. This prospect as well as the lower petroleum prices for some of our countries necessitates careful implementation of demand management policies to cushion the impact of such adverse developments. This is particularly true for the countries gradually emerging from the crisis. With these qualifications, we should look forward to another year of economic growth even though it will be more modest than the previous year, with relative price stability.

Now, I turn to the main work of the Commission.

The Report on the activities of the organisation since the Istanbul Summit has already been submitted to you. Therefore, I do not need to introduce it. Here, I would like to highlight just a few points:

Before doing so, I again express my thanks to the Distinguished Commissioners and their Governments for their valuable support to the work of the Office of the Executive Director.

I am happy to state that D-8 has made good progress after the start given in Istanbul. Out of six priority projects endorsed in the Istanbul Declaration, on three projects, namely on "Aquaculture", "Agricultural Aircraft" and "Takaful", concrete

steps have been taken. While the Seminar on Takaful has been an excellent opportunity for discussion and sharing of experience, the work in connection with the priority projects of "Aquaculture" and "Agricultural Aircraft" has set the ground for wide-ranging cooperation and collaboration.

On the remaining three priority projects, the coordinating countries have made necessary preparations to organise their meetings.

Furthermore, both in the sectors of the priority projects and in others, there is much wider scope for cooperation. In this connection, I have ventured to put forward in the report some ideas regarding new subjects of cooperation. In this context, those related to trade require special attention.

While evaluating the work on D-8 cooperation, I would also like to add that it would be highly advisable for the member countries to appoint a focal point for each sector of cooperation in their relevant ministries/institutions if they have not already done so. This will expedite the work on projects and ensure their follow-up. It will also facilitate collaboration between them as well as with the Office of the Executive Director.

Furthermore, I would like to stress once again the crucial role of the private sector in D-8 cooperation. In their informal consultations in Doha, the Foreign Ministers have underlined the importance of involving both private and public sectors in D-8 projects. In this context, the proposal made by Madame Prime Minister of Bangladesh deserves serious consideration. I am sure, the Commission will have a thorough discussion on it.

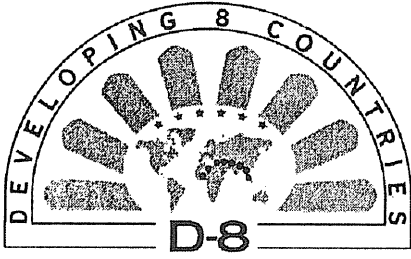
In my view, the success of the organisation largely depends on projecting its image within the member countries. For this purpose, necessary steps must be taken to inform the public about D-8, its objectives and activities. To give a start, we have prepared a draft brochure in English which you will now find before you. After receiving comments from the member states, we will have it printed and supply enough copies for circulation. It will be extremely useful if the member countries have it printed in their own languages for a much wider circulation.

I would also like to draw your attention to another important issue, that is, setting the date of the Dhaka Summit. I am confident that it will not be difficult to now reach a consensus on this matter.

Last but not least, the Commission will, I am sure, take the right decision on establishing a unit of permanence, or whatever you name it, in the lines indicated in the working paper which is also before you.

As you will realise, the Agenda of the Commission is quite heavy. Nevertheless, the Distinguished Commissioners with their wide experience and diligence will be able to cope with each item and take appropriate decisions on them, which would serve our common goals.

AGENDA OF THE MEETING



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**D-8/COM.V/Agenda/Rev.I
01 April 1998**

AGENDA V. SESSION OF THE COMMISSION

(23-24 April 1998)

1. Opening statement by the Commissioner of Turkey, Chairman-in-office of the Commission.
2. Adoption of the Agenda
3. Report of the Executive Director
4. Review of the progress on Six Priority Projects
 - a. **Agriculture:** Consideration of the Report of the meeting on Aquaculture, held in Islamabad on 17-19 February 1998 and adoption of appropriate decisions.
 - b. **Industry:** Consideration of the Report of the 2nd Session of the Working Group on Industry on the Agricultural Aircraft, held in Ankara on 24-25 February 1998 and adoption of appropriate decisions.
 - c. **Finance Banking and Privatization:** Consideration of the Report of the Seminar on Takaful, held in Kuala Lumpur on 30 March- 1 April 1998 and adoption of appropriate decisions.
 - d. **Poverty Alleviation and Human Resources Development:** Workshop on Poverty Alleviation.
 - e. **Telecommunication and Information:** Establishment of an Industrial and Technological Data Bank Network.
 - f. **Trade:** Establishment of an International Trading And Marketing Company: Consideration of the pre-feasibility study.
5. Consideration of additional subjects of cooperation in the Sectors mentioned in Item.4, other than priority projects.

a.Agriculture:

- Cooperation in Biotechnology etc.

b. Industry:

- Cooperation in the field of Contracting Services, including establishment of Joint Consultancy Firms

c. Finance-Banking and Privatization:

- Cooperation in the field of Privatization
- Cooperation between Stock Exchange Markets in the member countries
- Exchange of information on financial crises in capital markets, measures taken by governments as well as lessons to be drawn.
- Cooperation between insurance companies in the member countries, including establishment of a joint reinsurance company

d. Poverty Alleviation and Human Resources Development:

- Training Programs and Technical Cooperation

e. Trade

i. Practical steps to be taken pending the establishment of the International Trading and Marketing Company

- Export promotion : Exchange of trade information, measures to be taken to this effect including establishment of focal points in each member country, and the use of existing mechanisms under OIC and other groupings.
- Export support (export credit, trade insurance etc) :The use of existing mechanisms established under OIC/IDB, i.e. Agreement on Islamic Cooperation for the Insurance of Investment and Export Credit, Longer Term Trade Financing Scheme as well as adoption of additional measures if needed.
- Simplification, streamlining (and harmonisation) of banking procedures in relation to foreign trade as well as correspondance arrangements between banks in the member countries.

The last two subjects (export support and banking procedures) may usefully be discussed in an *expert group meeting with the participation of specialists from the banking sector in the member countries.*

ii. Shipping questions including establishment of a Joint Shipping Company. This matter may be discussed in an *expert group meeting of shipowners.*

iii. Establishment of Business Services Centers (Ref: Paper prepared by the Istanbul Chamber of Commerce)

iv. Establishment of Joint Business Councils (Ref: Paragraph 6 of the Istanbul Declaration). See item 7/b

f. Others

Note: Specific subjects of cooperation mentioned under this item are not exhaustive.

6. Consideration of D-8 cooperation in the **other Sectors**.

a. **Rural Development**: Consideration of the Report of the Working Group Meeting held in Dhaka on 20-21 October 1997

b. **Health**: Follow up of the decisions taken by the Working Group Meeting held in Ankara on 9-10 June 1997

c. **Science and Technology**: Follow up of the decisions taken by the Working Group Meeting held in Tehran on 7-8 May 1997.

d. Energy

e. **Cultural Cooperation**: Recommendations of the D-8 Symposium on "Cultural Dimensions of Development" held in Islamabad on 13-14 October 1997.

7. Public Relations for D-8

a. Policies to be followed by the member countries, particularly targeted at private sector, taking into account the prominent role of this sector in the overall development of the economies of the member countries.

b. Proposal by Bangladesh to convene a meeting of prominent businessmen on the occasion of the II. Summit in Dhaka. See item 5/e-iii

8. Review of the arrangements for coordination, including the establishment of a Coordinating Center in Istanbul i.e. a small Unit of Permanence composed of specialists. (Ref: Paragraph 4.5 of the Document "Structure and Functioning of D-8")
9. Modalities of establishing liaison with other relevant international organizations, particularly with the OIC (Ref: Paragraph 9 of the Istanbul Declaration)
10. Dates of Meetings of the Summit, the Council and the Commission to be held in Dhaka.
11. Any other business.

PART II

SIXTH SESSION OF THE COMMISSION

REPORT OF THE COMMISSION



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D-8/COM VI./Report

26 January 1999

REPORT

Sixth Session of the Commission

1. The Commission of D-8 held its Sixth Session in Istanbul on 26-27 January 1999. The following countries attended the meeting: Bangladesh, Egypt, Indonesia, I.R. of Iran, Malaysia, Nigeria, I.R. of Pakistan and Turkey.
2. The closed session commenced with the opening statement by the Chairman-in-Office, the Commissioner of Turkey, Ambassador Mithat Balkan.
3. H.E. Mr. Ismail Cem, Foreign Minister of Turkey, also addressed the Commission on the second day of the meeting.
4. The Commission considered the Draft Agenda and adopted it as submitted in Document D-8/COM VI./Agenda/Rev. Thereafter, the Commission accepted the

Work Program. Upon the suggestion by the Chairman, an open-ended drafting committee was set up.

5. The Executive Director presented his report on D-8 activities since the last Commission meeting and future work program. His statement is contained in Annex III.

6. The Commission first discussed physical arrangements of the Dhaka Summit on the basis of the information offered by the Commissioner of Bangladesh. In the end, consensus has been reached on the following points:

- The Commission will resume in Dhaka its Sixth Session to complete unfinished work.
- Draft Provisional Agenda of the Summit is adopted by the Commission, subject to a review at the resumed session.
- The morning of 1st March will be left open for bilateral contacts between Heads of Delegations and/or, if necessary, informal consultations on unresolved matters.
- The duration of the speeches of the Heads of State and Government will be confined to 10-15 minutes.
- At the end of the Summit, the host country may organise a press conference it being understood that if they wish, individual delegations may also do the same separately.
- Separate program is foreseen for the spouses.

- Sequence of speeches will be decided on the spot in Dhaka, taking into account the level of representation and existing practice.

7. The Commission agreed that the Summit Declaration might be composed of two parts, one addressing global economic issues and the second part dealing with D-8 activities. It was also agreed that the resolutions adopted by the Commission should be presented to the summit for endorsement.

8. The Commission considered that the Summit provided an opportunity to identify new subjects for cooperation.

9. On item 5/a regarding aquaculture, the Commissioner of Pakistan stated that as decided at the Fifth Session, the Directory will soon be compiled on the basis of the lists of experts and scientists provided by the member countries. He also suggested that the list of private trading houses and firms operating in this field be also included in this Directory. This idea received general approval.

10. On Agricultural Aircraft Project, the representative of the Turkey's Under-secretariat for Defence Industry briefed the meeting and replied various questions raised by the members. He underlined the importance of determining at an early stage the quantitative needs of the member countries for the implementation of the project. Many members emphasized that the project should be a collective one with the participation, if possible, of all the member countries.

11. The Commission reviewed the progress on the priority projects in the fields of Finance-Banking-Privatization and Poverty Alleviation and agreed to consider the idea of establishing Takaful Re-insurance Company amongst the member countries.

12. On the project of establishment of an Industrial and Technological Data Bank Network, the Iranian delegation distributed the paper on the minimum configuration of the project with its estimated cost. They stated that various technical aspects must be sorted out bilaterally with the member countries. For this purpose, the members are requested to name their focal points with their web site and e-mail addresses as soon as possible.

13. On item 5/f concerning trade, the Egyptian Delegation briefed the commission on the prospective expert group meeting which would take place in Cairo to discuss trade related issues. They added that they were considering to convene a separate expert meeting on shipping questions. The Egyptian Delegation requested those member states who have not yet done so to give well before the meetings their replies to the questionnaires on export promotion (exchange of information) and shipping. In preparation of the first expert meeting, the Egyptian Delegation distributed an information paper on the trade financing schemes operating under IDB, which is designed to maximize the benefit of these schemes to expand D-8 intra-trade.

All the delegations agreed on the vital importance of cooperation in the field of trade. They therefore believed that the expert group meeting would be an opportunity to discuss the pre-feasibility study on IMTC and finalise the terms of reference of the study. Practical steps related to trade should also be discussed in the

same meeting. The Egyptian Delegation proposed the dates of 6-7 April 1999 for this meeting.

Taking into account its heavy and wide-ranging agenda, it was agreed that the member countries should properly be represented at this meeting with participation of experts both from government and private sectors (chambers). Indonesia supported the idea of establishing Business Services Centers and Joint Shipping Company. I.R. of Iran also favoured the idea of Joint Shipping Company.

14. Following consultations amongst the Commissioners, it was agreed that “Promoting Rural Industrialisation by Comprehensive Approach” be implemented as a matter of priority. It was also agreed that Egypt would initiate the project and that Bangladesh as the Coordinating Country for Rural Development would collaborate on this matter.

15. The Commissioner of Turkey briefed his colleagues about the recent meeting on AIDS Prevention and Control Program. The Egyptian delegation expressed their keen interest in this project and pronounced their intention to convene the next meeting in Cairo.

16. On energy, the Nigerian Delegation stated that they would convene the Working Group on Energy in the near future.

17. As regards the initiation of new projects, the Commission reiterated that the criteria of feasibility, practicability and the benefit to D-8 community should fully be taken into account.

In this spirit, the following proposals have been submitted for consideration by the commission:

- Environment (by Turkey)
- Finance-Banking-Privatization (by Malaysia):
 - * Training course for a duration of around two weeks for a maximum seven officers per year from each member country (the details will be circulated in due course by the Office of Executive Director).
 - * Seminar on Islamic Banking and Finance for D-8 countries in mid-July 1999 to discuss theoretical and practical aspects on islamic banking and financial system implemented in Malaysia.
- Convening a joint meeting of experts and decision-makers on social safety nets in the fiscal year 1999-2000 with a view to sharing experience and information on social safety nets activities and pooling expertise and resources (by Indonesia).
- Three proposals by the I.R. of Iran:
 - * Establishment of a Confederation amongst the D-8 Chambers of Commerce
 - * Establishment of Technical Consulting Association
 - * Easing visa formalities for businessmen within D-8.

18. The members have in general responded favourably to these new ideas. Nevertheless, in the case of the Confederation amongst the D-8 Chambers of Commerce, it was thought that this matter might be considered with the presence of the private sector representatives in the expert group meeting which will take place in Cairo on 6-7 April 1999.

Concerning the Technical Consulting Association, the Commission felt that it would be better to proceed in the light of replies which are expected to be given by the member countries to the Iranian proposal before the resumed session.

Regarding the proposal made by the Iranian delegation to convene a meeting of ministers of trade and economy, the members felt the need to continue consultations on the matter and the timing of such a meeting.

19. Some delegations also indicated their intention to propose to the resumed session the following projects:

-By Egypt:

- * Establishing of a network of capital markets and stock exchanges for D-8
- * Negotiating an agreement for the avoidance of double taxation within D-8
- * Negotiating an agreement for the promotion and protection of investments within D-8
- * Modalities for simplifying and coordinating banking procedures.

-By I.R. of Iran:

- * Agreement to encourage and support investments within D-8

- * Agreement for avoidance of double taxation and removal of non-tariff barriers

- * Overall agreement on trade amongst the member countries

- * Conclusion of an agreement on banking and insurance

20. Following informal consultations, the members agreed on the need to create a permanent unit (coordinating center) to fulfil conference and secretarial services.

However, it did not seem possible to realise this before the Dhaka Summit.

Accordingly, the Commission suggested the Government of Turkey to kindly continue to provide the services of the Executive Director till the Cairo Summit where a final decision was expected to be taken on this matter. The Commissioner of Turkey agreed to this suggestion, for which the members of the Commission expressed their deep appreciation to the Government of Turkey.

The question of liaison with OIC and other international organisations will be taken up at the resumed session.

21. Under the agenda item "any other business", the Commissioner of Indonesia raised the modalities of cooperation. He stated that some member countries might have expertise on certain specific fields and that they might therefore be better placed than coordinating countries to organise workshops, seminars, etc. with a view to sharing their experience in these fields. In this case, meetings might be arranged in close collaboration between the coordinating country and the one with expertise, while the main focus remains with the former. In this connection, it was also

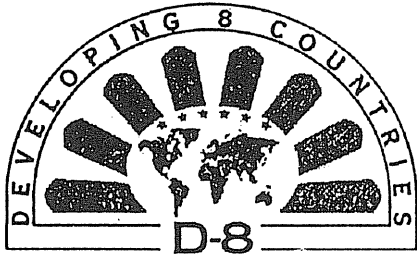
suggested that D-8 might utilise the experience and practice of other international organisations.

22. The Commission approved 10 resolutions. The Commissioners exchanged views on elements of the Dhaka Declaration. Bangladesh offered to prepare a Draft Declaration for discussion at the resumed VI. session of the Commission at Dhaka.

23. The Commission reiterated its sincere appreciation of the excellent role played and work undertaken by the Executive Director and his staff in coordinating D-8 activities, including facilitation of the meeting of the Commission.

24. The Commission expressed its profound thanks to the Government of Turkey for its generous hospitality and excellent arrangements.

RESOLUTIONS



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RESOLUTIONS (10) VI Session

Item 5/a

11. Aquaculture

Commission,

Reaffirming its Resolution 1 on Aquaculture,

Reviewing the progress in the implementation of this Resolution,

Underlining once again the large potential for cooperation amongst the member countries in this field and its significant contribution to their economies,

1. Invites those members who have not yet done so to designate their focal points (National D-8 Aquaculture and Monitoring Center) and submit their list of scientists, experts, institutions and registered business in the private sector pertaining to aquaculture to the Coordinating Country as requested in para.5 and 6 of the Resolution referred to above.

2. Expresses its earnest hope that with the necessary ground thus covered, the project becomes operational at the latest by 1st July 1999.

3. Requests the Coordinating Country to make the Directory available in sufficient numbers to the member states for a wide circulation in their respective countries amongst the public institutions and private firms before the commencement of the project.

4. Recommends the member countries to circulate (as has already been done by Turkey) annexes IV/a-b of the report of the Workshop held in Islamabad amongst public institutions and private firms.

5. Also invites the Governments to encourage public institutions and private firms in their countries to establish contacts with their counterparts in other member countries, through the national centers and/or the office of the Executive Director.

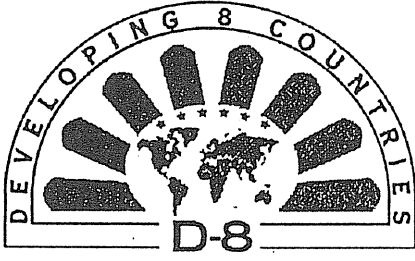
6. Welcomes the steps taken by the governments and the universities of Egypt and Turkey to initiate cooperation in certain specific fields, which is also open to the participation of other members.

7. Underlines in this connection the importance of involving the private sector in aquaculture development and cooperation, and accordingly recommends the member countries to create suitable environment with the view to support and facilitate such involvement.

8. Urges the member countries to encourage the promotion of technical assistance programs and joint ventures as well as the organisation of workshops on specific aspects of aquaculture.

9. Instructs the Executive Director to collaborate with the member countries, upon requests, in developing joint programs including technical cooperation, and to seek to this end assistance from specialised international agencies, especially FAO.

10. Invites the Government of Pakistan to organise a Workshop in 1999, inter-alia to review the progress in the implementation of this project and requests the Executive Director to submit to the Workshop a progress report on cooperation in the field of aquaculture.



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Item 5/b

12. Agricultural Aircraft

Commission,

Reaffirming its earlier Resolution 2 on the Agricultural Aircraft Project,

Taking note of the reports of the 2nd Session of the Working Group on Industry and the 1st and 2nd Sessions of the Study Group,

Appreciating persistent efforts of the authorities of the Coordinating Country (TAI) to follow-up this project,

Welcoming increased interests of the member countries in this important project and their valuable contribution and support towards its development,

Convinced that the Agricultural Aircraft Project will usher in a new era in economic and industrial cooperation amongst the member countries,

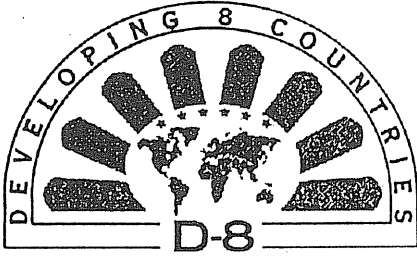
1. While endorsing the conclusions of the 1st and the 2nd sessions of the Study Group as reflected in the minutes, emphasizes that the aircraft should be manufactured for multipurpose civilian usage based on the following principles of work sharing for the serial production.

- a) Competitiveness
- b) Quality
- c) Quantitative aircraft requirement
- d) Final assembly line establishment will be mainly determined based on quantitative requirement.
- e) For the spirit of D-8 organization, reasonable compensations will be taken into consideration.

2. Takes note with satisfaction the already agreed points related to the configuration and specifications of the Agricultural Aircraft while issues such as the trainer version and technician seat having been left to be considered after the first flight of the prototype.

3. Invites the member countries to complete as soon as possible the exploratory work on the market potential for this aircraft on the basis of quantitative needs of the member countries and their neighbouring states.

4. Welcomes the target date announced by the Turkish Authorities for the test flights of the prototype of the aircraft in the last quarter of 1999 and requests the Turkish authorities to furnish the relevant technical data of this test flight to the concerned member states.



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Item 5/d

13. Poverty Alleviation

Commission,

Congratulating the Government of Indonesia for successfully organising the Workshop on Poverty Alleviation held in Jakarta on 16-19 June 1998 and for extensive preparations made to this effect,

Appreciating the written contributions submitted to the meeting by most of the member countries,

Recognising that alleviation of poverty is one of the primary objectives in the economic development plans of the member states,

Believing of the health and welfare of the present and future generations are critically dependent on environment conditions and that environmental protection should be an integrated element of all strategies aiming at poverty and sustainable development,

Taking into account that unskilled human resource is the main cause of unfavourable conditions of the poor,

Considering that the education of the people, including the rural women, plays central role in alleviating poverty in the long-run,

Recognising that while the main responsibility in this field lies with the governments, the participation of community, especially of NGO's, facilitators (university students, volunteer groups, etc) and private sector both in the development of concepts and the implementation of program also plays an important role in alleviating the poverty,

Underlining the vital importance of access for the poor to the productive assets such as land, capital (micro-credit), infrastructure as well as of the organisation of vocational training programs for them,

Also taking into account the immediate social and economic impacts arising from financial and economic crisis with respect to poverty and development of rural population in particular.

Welcoming the recommendation of the Workshop that emphasized the necessity for D-8 member countries of providing the social safety net programmes by directing the fundamental services to the poorest of the poor to ensure a decent living, including the fulfillment of their basic needs such as food, clothing and access to health care.

Recognising the significant role of pilot projects for integrated rural development of priority regions and of programs directed at most vulnerable groups.

Taking into account the fact that the member countries dispose quite a large experience in various aspects of this problem as emerged in the discussions in the Workshop,

Recognising before that there exists large potential of cooperation in this field,

1. Endorses fully the conclusion of the Workshop, i.e., **Recommendations** to the member countries on poverty alleviation policies, strategies, organisational arrangements, and the **Plan of Action** for cooperation amongst them.

2. Invites the member countries to nominate their national focal points and mechanism for effective communication on poverty alleviation.

3. Agrees in principle to establish a network arrangement to interlink national focal points in order to share views and ideas as well as to exchange experiences and technical information, and decides to consider alternative arrangements for such a network at its next session, taking into account the suggestions of the Coordinating Country and recommendations of the MENA NET Conference. (Cairo, December 1998) on the establishment of a network of institutions in the MENA region working in social development.

4. Deeply appreciates the proposal of the Government of Indonesia to convene a "Joint Meeting of Experts and Decision Makers on Social Safety Nets" which would be implemented in the fiscal year 1999/2000 as the implementation of one of the recommendations of the Workshop. The main objective of the meeting is to promote cooperation among D-8 member countries through sharing experience and information on social safety nets activities and pooling expertise and resources which would facilitate formulation of concrete and effective programme.

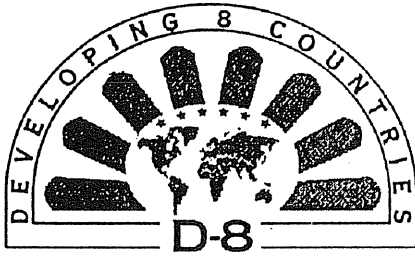
5. Agrees to approach regional and international finance institutions regarding specific projects on social safety nets with a view to alleviating the sufferings inflicted upon the poorest segment of the population by the world financial crisis.

6. Recommends the governments to take the into account the **Recommendations** of the workshop in the formulation of their policies and strategies on poverty alleviation.

7. Invites the member countries to take the necessary steps with a view to:

- initiating programs for exchange of experts, documentation and relevant information, database,
- organising workshops, seminars, symposia and meetings as well as training programs,
- conducting joint research activities,
- organising joint campaign programs on appropriate occasions,
- exploring the possibilities of engaging triangular funding arrangements for specific projects,

8. Instructs the Executive Director to follow up the implementation of this Resolution and to report thereupon to the Commission on the occasion of each summit meeting.



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Item 5/e

**14. Telecommunication & Information
and
Science & Technology**

Commission,

Reaffirming its Resolution 5 on the subject,

Underlining the major role of latest technologies for the sustainable development and economic, social, cultural progress,

Emphasizing the vital importance of the Industrial and Technological Data Bank (ITDB) Network Project for the widespread dissemination of economic, commercial, technological, scientific information as per the agreed format and to meet the requirements of the member countries.

1. Congratulates the Government of Islamic Republic of Iran for organising, after a thorough preparation, the Workshop in Tehran on 10-12 August 1998 to discuss the IDTB Network Project.

2. Endorses the recommendations of the Workshop.

3. Strongly recommends the member states to create (if they have not yet done so) their national network/center, linking the relevant institutions both in the public and private sectors in their countries to set up D-8 IDTB Network and convey e-mail/web site addresses of the national focal points to the Iranian authorities

4. Welcomes the draft design of organisational aspects with a minimum configuration and estimated cost prepared by the I.R. of Iran.

5. Requests the Iranian authorities to convene a meeting of specialists shortly after the Summit to discuss and finalize the technical aspects of the design.

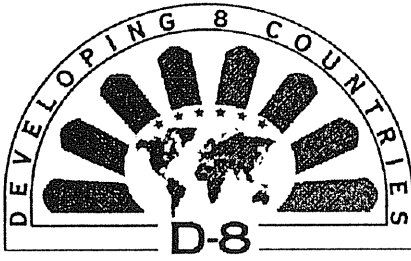
6. Agrees that the final design takes into account the following principles:

a) The existing facilities should be utilised to the maximum possible extent to minimise the cost,

b) TCP/IP Protocols and Internet technologies should be considered as a realistic option for the accomplishment of the project,

- c) The experience of the OIC Net and other regional and specialised networks should be utilised to the maximum,
- d) The needs for the potential users should be taken into account as a guide while designing the Network,
- e) The final detailed design should also include a plan of action for a step-by-step implementation of the network in different phases.

7. Calls upon the Coordination Country and the member states to take the necessary steps to expedite the implementation of the project so that it become operational by 1st July 1999.



Item 5/f

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15. Trade

Commission,

Reaffirming its Resolution 6 on Trade,

Taking note of the preparatory work so far undertaken concerning the implementation of the project “Establishment of an International Marketing and Trading Company” (IMTC),

Underlining the importance of taking without delay some practical steps in the fields of trade promotion (exchange of trade information) and trade support (insurance of export credit, trade financing, import trade financing) pending the establishment of IMTC,

Noting that the potential for expansion of D-8 intra-trade is promising,

1. Takes note of the comments made by the member countries on the Egyptian pre-feasibility study and of the text prepared by the Executive Director thereupon.

2. Welcomes the decision of the Coordinating Country to convene in the second half of April 1999 an expert group meeting to consider the pre-feasibility study in the light of these comments and to finalize the terms of reference of the prospective feasibility study, including its financial aspects, for consideration by the Commission at its next meeting.

3. Reaffirms its earlier decision to take some practical steps for the expansion of D-8 intra-trade pending the establishment of IMTC.

4. In order to expedite the steps referred to in para.5 above:

- a) Requests those member states that have not yet done so to give at their earliest their replies to the questionnaires on the exchange of trade information and shipping.
- b) Invites the member countries to send their comments on the information paper circulated by the Delegation of Egypt on Trade Financing Schemes operating under IDB.

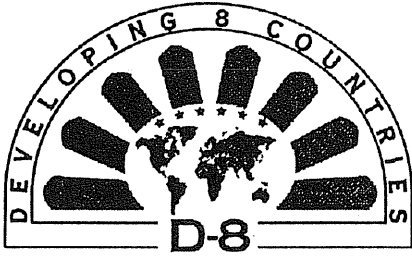
- c) Instructs the expert group to also take up, in line with the proposal of the Coordinating Country, export promotion and export support measures in the light of the replies by the member countries in the same meeting referred to in para.2 above. Delegations to that meeting should include representatives from public and private sectors.
- d) Also instructs the expert group to consider the idea of D-8 confederation of Chambers of Commerce.

5. Also requests the coordinating country to convene another expert group meeting to consider, i.e.,

- Egyptian paper titled "Preliminary Scheme for the Establishment of a Trade Database for D-8 Group" Kompas International,
- Proposal by the Istanbul (Turkey) Chamber of Commerce to establish links amongst trade information centers of the member countries through **internet** for exchange of trade information,
- The proposal by the same Chamber for the establishment of Business Services Centers,
- Simplification and streamlining of banking procedures related to foreign trade.

6. Invites the coordinating country to convene in 1999 an expert group meeting to discuss the shipping problems and modalities of cooperation in this area.

7. Requests the Executive Director to report to the Commission at its next session on the progress in the implementation of this Resolution.



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Item 6/a

16. Rural Development

Commission,

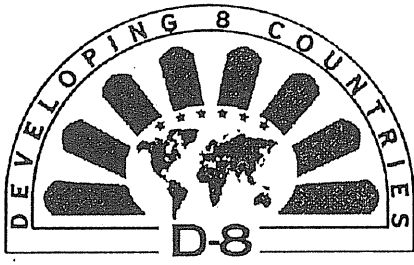
Recalling its Resolution 8,

Referring to the report of the Working Group Meeting on Rural Development, held in Dhaka on 20-22 October 1997,

Recalling the projects recommended by the Working Group at this meeting,

Taking into account the priorities indicated thereafter by the member states amongst these projects,

1. Decides to implement in the first instance the project entitled “Promoting Rural Industrialization by a Comprehensive Approach”.
2. Invites the member countries to collaborate to this end with the Coordinating Country and the member state that initially proposed this project.
3. Instructs the Executive Director, in consultation with the Coordinating Country, to seek technical and financial assistance as required from relevant international agencies.
4. Requests the Executive Director to follow-up the implementation of this project and to report thereupon to the Commission.



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Item 6/b

17. Health

Commission,

Recalling the recommendation of the 1st Session of the Working Group Meeting, held in Ankara on 9-10 June 1997,

Recognising that the phenomenon of AIDS is emerging as one of the most hazardous and devastating threats for the health and prosperity of mankind,

Also recognising that the cases of AIDS is fast growing and spreading to all the countries in the world,

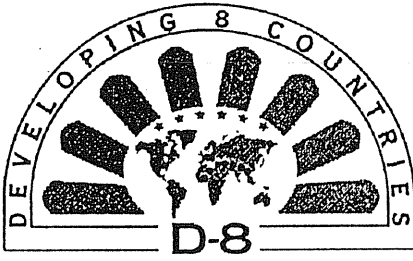
Taking into account the close connection between AIDS phenomenon on the one hand, and drug abuse and heterosexual relationship on the other,

Appreciating therefore the step taken by Turkey to initiate, as the first project in the field of health, a D-8 cooperation on AIDS Prevention and Control Program in accordance with the above-mentioned recommendations, and to have convened to this end the Sub-Working Group Meeting on AIDS in Ankara on 19-22 October 1998,

1. Endorses the action program on future activities, adopted by the Sub-Working Group.

2. Recommends relevant authorities of the member states to initiate E-mail correspondence among them for exchange of information on latest improvements about AIDS control experiences.

3. Expresses its appreciation to the Egyptian Government to volunteer to host the next meeting of the Sub-Working Group on AIDS.



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Item 7/a

18. Agriculture

Commission,

Referring to its Resolution 7,

Taking into account the fact that ensuring food security presents a serious problem for the member states as for many developing countries,

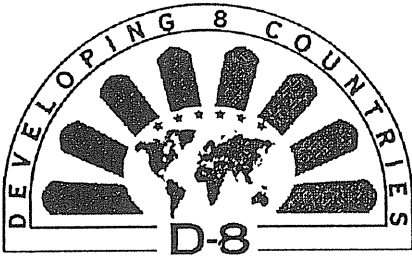
Considering that high level and still rapidly increasing population tends to make the problem even worse in the long-run,

Observing that the productivity in agriculture in the member states is rather low due to various reasons,

Believing therefore that raising agricultural production is of crucial importance for ensuring food security and improving the living conditions of their population,

1. Requests the Executive Director to prepare a short paper to be submitted to the next session of the Commission on food security issues on the basis of information which will be provided by the member states.

2. Requests the assistance of the Coordinating Country to consider and explore, in consultation with the member states and in the light of the conclusions of the Working Group Meeting held in Islamabad on 28-29 May 1997, possibilities of technical cooperation in the agricultural sector, including bio-technology, amongst the member countries.



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Item 7/b

19. Environment

Commission,

Referring to articles of the Istanbul Declaration,

Recognizing the need for sustainable development that preserves natural resources,

Considering that degradation of environment cause a threat not only to human health but also to his moral and spiritual development,

Observing that environmental problems pose a serious challenge for the whole mankind with growing intensity, that environmental issues transcend geopolitical borders and are of cross-sectorial nature, touching almost every field of activity,

Stressing that the private sector should also get involved in combating environmental degradation due to its share and responsibility in it,

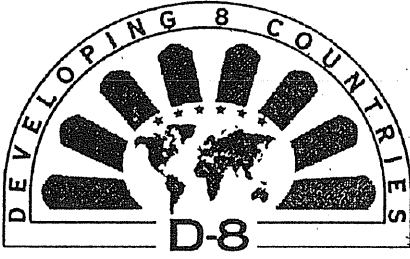
Emphasizing the important role of the participation of private sectors and NGOs specialised in environmental questions in efforts and activities undertaken in this field,

Noting the agenda 21 of the Rio Programme of Action, and regional and global conventions and treaties in the field of environment.

1. Decides to initiate cooperation amongst the member countries in the field of environment in accordance to their national priorities.

2. Thanks to the Government of Turkey for acting as the Coordinating Country in environment.

3. Requests the assistance of the Coordinating Country to convene, after a thorough preparation, a meeting of experts from public and private sectors, including NGOs, to discuss environmental issues faced by D-8 countries and to make recommendations to the Commission for its consideration at its next session.



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Item 7/c

20. Finance-Banking-Privatization

Commission,

Referring to its Resolution 3,

Expressing its grave concern at the recurrence and consequences of the financial crises in different regions which severely disrupted economies of most developing countries including D-8 member states, while causing social unrests,

Taking into account such crises increase risk of recession not only to the affected countries but also to the world at large including industrialized countries,

Observing that financial crisis has raised misgivings in many circles about the credibility of unfettered free market policies and rendered more urgent than ever before the need to reform the international monetary system to make it better tuned to address such crises.

1. Agrees to exchange information on the experiences gained and measures taken to protect their economy against the risks of financial crisis as appropriate.

2. Also agrees to conduct consultations on the ways in which the member countries and/or with other developing countries may collaborate to minimise the effects of the global financial crisis as well as to contribute to efforts in international finance institutions designed to initiate reforms in international financial system.

3. Agrees to consider the idea of establishing Takaful Re-insurance Company amongst the member countries.

4. Encourages development of closer relations amongst D-8 capital markets and recommends the governments to take appropriate steps to create suitable environment to this end.

5. Welcomes the offer of the Coordinating Country to conduct training programmes as well as seminars to enhance cooperation amongst the member countries in finance, banking and privatization.

REPORT OF THE EXECUTIVE DIRECTOR



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D-8/COM.VI/ED. Report/Rev.
16 November 1998

VI. SESSION OF THE COMMISSION

REPORT OF THE EXECUTIVE DIRECTOR (Revised)

Since the last meeting of the Commission which took place in Istanbul in April, two Study Group meetings on the Agricultural Aircraft Project, the Seminar on Poverty Alleviation and the Workshop on the Establishment of an Industrial and Technological Data Bank Network were held. Moreover, progress has been achieved in the implementation of the resolutions of the Commission concerning various other projects. These, I will detail herebelow under the relevant agenda items.

As Your Excellencies are fully aware, the main task of the Commission at this session is to prepare the Dhaka Summit and ensure its success. In my view, the Summit should not and can not be an occasion to merely review the past progress. I believe that the Summit must give an impetus to the cooperation amongst the member countries by injecting new ideas. The Commission had already taken steps in this direction in its V. Session. These ideas may further be elaborated at this meeting and supplemented with others.

The Dhaka Summit should also give a clear-cut message to the D-8 public opinion including the private sector about the resolve of the governments to move forward and to achieve concrete and tangible results in D-8 cooperation. This is all the more important at this particular juncture since the Summit is taking place at a time when the world economy, especially those of developing countries including D-8 members, is undergoing a difficult period due to financial crisis in world capital markets.

In the Commission Meeting, the Distinguished Commissioners are expected to pronounce as a matter of priority their views on all questions pertaining the summit, including its form and substance, elements of the draft declaration. Thereafter, the Commission may address specific items in the Agenda. In case it would not be possible to go through all the items during this meeting, the Commission may suspend

its work and resume its session in Dhaka just before the Ministerial Meeting and the Summit, both to review the Summit preparations and to complete unfinished work in its Agenda.

AGENDA ITEM.4 SUMMIT

a) Summit preparations

The Commission may first hear a briefing by the Commissioner of Bangladesh on organisational matters (including the dates of the Council and the Commission, conference facilities, accommodation, etc). The Commission may then address the questions raised in the draft agenda of the commission such as Draft Provisional Agenda of the Summit, Draft Program of Work and Draft Declaration, and consider the draft texts submitted by the Executive Director. Thereafter, as stated above, the Commissioners may also discuss the substance of the Summit with reference to specific agenda items.

b) Business Forum

As has also been underlined in the Istanbul Declaration, the involvement of the private sector is of crucial importance for the success of D-8 cooperation. In the course of their consultations in New York, the Commissioners agreed that convening meetings of businessmen from member countries (Business Forum) would be highly desirable and effective in order to stimulate their interest and participation in D-8 cooperation. They believed that to ensure larger participation from them and thus the success of these forums, they should be organised simultaneously with the Summit meetings.

In the consultations, the Commissioners also thought it advisable to draw upon the experience of some international groupings such as G-15 and APEC in the organisation of Business Forums, and accordingly instructed the Executive Director to approach their headquarters. Indeed, I got in touch with their offices in Geneva and Singapore. Their officials confirmed the view that Business Forums should be convened simultaneously with the Summit meetings. They also advised that topics of discussion in these Forums should be limited to a few and be well defined. Furthermore, they added that Business Forums should be jointly organised by governments and chambers of commerce/similar institutions.

While submitting the findings of my contacts to the Authorities of Bangladesh, I have also made some suggestions. Now, the idea is under consideration by the Government of Bangladesh and their Chamber of Commerce. In case they agree to organise the Business Forum, **the Commission may discuss and finalise the preparations.** Otherwise, it is advisable to postpone it to the III. Summit.

AGENDA ITEM. 5 REVIEW OF PROGRESS IN PRIORITY PROJECTS

a) Aquaculture

In compliance with para.5 of Resolution 1, five member states (Egypt, Indonesia, I.R. of Iran, Pakistan and Turkey) have designated their focal points. The remaining three countries are requested to do likewise so that D-8 Aquaculture Information and Monitoring Center (D-8 AIMC) become operational as soon as possible.

Egypt, Indonesia (partially), Pakistan and Turkey have submitted their lists of experts, scientists and institutions as requested in para.6. The other members are requested to also submit their lists for the speedy compilation of a Directory. This will create the basis for an exchange of information and technical assistance amongst the member countries.

I would like to draw the attention of the Distinguished Commissioners to para.7 of the Resolution whereby the Commission underlined "the importance of involving the private sector in aquaculture development and accordingly recommended the members to create suitable environment, supporting and facilitating such involvement". In this vein, in my letter No: AGR/98/188 dated 10 July 1998, I suggested that the information given in Annexes IV/a-b of the Report of the Workshop on Aquaculture regarding the capacities and needs of the member countries in this field be widely disseminated amongst private firms and NGO's through professional associations and/or chambers. The Turkish Authorities informed that they distributed these annexes to 36 firms in the private sector.

On the other hand, I am pleased to note that the Egyptian General Authority for Fish Resources Development and the Suez Canal University have positively responded to the query of the Turkish Ministry of Agriculture and the Aegean University (Izmir/Turkey) to initiate cooperation in the field of construction of hatcheries and production of high-yield shrimps as well as to organise courses in the reproduction of sea fishes.

The Commission may urge the member countries to take the necessary steps for the speedy implementation of Resolution 1 on Aquaculture.

b) Agricultural Aircraft

The Study Group, which was established by the Working Group on Industry in its meeting in February this year, held its first meeting in Ankara on 2-3 June 1998. Experts from five member countries took part in the meeting, Bangladesh and Indonesia having been represented by the officials from their Embassies. The participants agreed on the "working principles" of the Study Group and established the requirements for the basic configuration of the aircraft as well.

Before the II. Session of the Study Group which met in Ankara on 10-11 November 1998, Egypt, I.R. of Iran, Malaysia and Pakistan presented their views on the work sharing modalities, and Turkey (TAI) submitted a paper on the engine selection issues as requested by the Study Group in its First Session.

I am pleased to state that, in addition to the seven member countries (Bangladesh, Indonesia and Pakistan being represented by the officials of their Embassy), Nigeria which could not be present neither in the February meeting of the Working Group nor June meeting of the Study Group, also took part with two engineers in the **II. Session of the Study Group**.

In this meeting, participants while confirming the already agreed points related to the configuration and specifications of the aircraft, exchanged views on such remaining issues as the type of the engine piston, fuel, trainer version, technician seat.

Study Group agreed on the work sharing principles. I take this as an important step in the realisation of the project. The Study Group members will inform TAI regarding accessories and parts of the prototype aircraft which could be provided by them. To this end, TAI will send "detailed technical information on those items to the relevant member".

The Study Group has agreed that studies will be accelerated to make the first prototype fly as soon as possible. According to the program scheduled, TAI is planning the first flight for the last quarter of next year.

III. Session of the Study Group is scheduled for February 1999, just before the Dhaka Summit.

In this connection, I would like to once again stress the importance of this project for all the member countries which goes far beyond its scope. Therefore, I earnestly hope that the member states take the necessary steps and do their share for the speedy implementation of the project according to the schedule.

c) Takaful

As Distinguished Commissioners recall, a seminar was held in Kuala Lumpur on 30 March-1 April 1998. In order to make use of the findings of this Seminar, the member countries may disseminate them throughout the insurance companies in the private sector (if they have not done so already) since the insurance business is mostly in this sector.

d) Poverty Alleviation and Human Resources Development

A successful Workshop on Poverty Alleviation was held in Jakarta on 16-19 June 1998 with the participation of all the member countries.

The poverty alleviation is an important problem for all the member countries as was also underlined in the meeting. In the Workshop, an extremely useful exchange

of information and experience on the poverty alleviation policies and measures took place. The Workshop adopted two distinct sets of decisions, namely "The Recommendations" to the governments of the member countries on poverty alleviation policies and measures, and "The Plan of Action" for the promotion of cooperation among the member states. **The Commission is requested to endorse them for the final approval of the Council and the Summit.**

e) Establishment of an Industrial and Technological Data Bank Network

The workshop on this project was held in Tehran on 10-12 August 1998. For this meeting extensive preparation was made. Indeed, most member countries gave their replies to the two questionnaires earlier circulated by the I.R. of Iran. Moreover, a detailed "informative paper" on this subject, prepared by the Iranian Authorities, was also circulated before the meeting. High level experts from the member countries participated in the Workshop during which intensive discussions took place on the project.

The Workshop adopted a series of recommendations for future action. The experts agreed that the existing facilities should be utilised to the possible extent to minimise the cost. The Workshop also requested the I.R. of Iran (as the coordinator) and the other member countries to take the necessary steps which concerned them in the recommendations so that a final detailed design could be prepared. In this connection, I would also like to draw the attention of the Distinguished Commissioners that the I.R. of Iran is requested to submit a minimum configuration for ITDB network together with its estimated cost for consideration and approval by the Summit. The Iranian Authorities have recently confirmed that they are working out a paper on this matter.

Furthermore, I would like to underline the importance of close cooperation between the I.R. of Iran and the national focal points of the member countries in the coming weeks for speedy implementation of this project. For this purpose, the member countries are requested to inform as soon as possible their mailing address (Tel, fax and e-mail addresses) in compliance with the recommendations of the Workshop.

The Commission may endorse the conclusions and recommendations of the Workshop for their speedy implementation.

f) Trade

i) *Establishment of an International Trading and Marketing Company*

In compliance with para.4 of Resolution 6, five member states (Indonesia, I.R. of Iran, Malaysia, Pakistan and Turkey) sent detailed comments on the Egyptian pre-feasibility study.

On the basis of these comments, I have prepared a consolidated text and circulated to the member countries (24 August 1998). The member countries have

supported the Egyptian proposal to convene an expert group meeting. I also believe that such a meeting will be extremely useful to clarify and further elaborate the points raised in the comments by the member states. An alternative pre-feasibility study prepared by the I.R. of Iran (distributed on 16 September 1998) on the International Company (ITMC) can also be taken up in the same meeting. In the light of discussion by the experts, a feasibility study can then be prepared by the consultants who will be nominated by the expert group.

ii) Practical Steps

As the Distinguished Commissioners recall, the Commission took in its last session various steps to this effect as reflected in para.7 of Resolution 6. I will summarise herebelow the progress made:

So far, four members (Bangladesh, Egypt, I.R. of Iran and Pakistan) have designated their focal points in accordance with para.7/a-i.

A questionnaire prepared by the Egyptian authorities in compliance with para.7/a-iii on the utilisation of the existing mechanisms(Data Bases of ICDT and TINIC under OIC as well as OICIS-NET under IDB) for the exchange of trade information was circulated to the member countries (27 July 1998). So far I.R. of Iran and Turkey have given their reply.

On the other hand, Istanbul Chamber of Commerce sent me a paper on their "Trade Information Center", functioning as a databank and compiling information related to foreign trade. This Center is linked with the **internet**. The Istanbul Chamber suggests that if similar institutions existing in the member countries can be linked through **internet** or any other means, this may fill to a great extent the present gap in the field of trade information. In the beginning of June, I circulated this paper to the member countries. In response, the Indonesian Chamber has informed that they have a similar Data Center and Information Network (KADINnet). Pakistan also informed that their Export Promotion Bureau, a semi autonomous governmental corporation, is acting as trade information center and linked with **internet**. While the Commission can consider the possibilities of using the existing mechanisms for exchange of trade information, the idea put forward by the Istanbul Chamber to establish an **internet link** amongst the chambers/similar institutions is worth exploring since trade is mostly undertaken by the private sector.

Comment was not yet received on the Egyptian paper titled "Preliminary Scheme for the Establishment of a Trade Data Base for D-8 Group" (Kompass International).

As for the Business Services Centers, so far Egypt, Indonesia, Malaysia and Pakistan have submitted their comments on the paper. In general, the responses were favourable.

In the field of export support, as would be recalled, para.7/b of Resolution 6 requested the Egyptian Authorities as the Coordinating Country to convene an expert group meeting to study the utilisation of the existing mechanisms under OIC/IDB (Longer Term Trade Financing Scheme, Islamic Corporation for the Insurance of

Investment and Export Credit, Import Trade Financing Operation) as well as banking procedures. The Egyptian Authorities are expected to soon circulate a questionnaire on this matter. (In this connection, I would like to draw the attention that the Turkish Authorities have informed me about the utilisation by Turkey of the two existing IDB credit mechanisms. This, I have circulated to the member countries (28 July 1998).

On the other hand, the Egyptian Authorities have recently proposed (our letter No:TR/98/292 dated 9 October 1998) to combine the discussions of the pre-feasibility study on the ITMC together with the practical steps (utilisation of existing mechanisms in the fields of trade information exchange, export support measures and harmonisation of banking procedures) in the same meeting of the expert group. They plan to organise this meeting by the end of January 1999 with the participation of representatives both from governments and chambers of commerce/ similar institutions.

In the field of shipping, the questionnaire recently prepared by the Egyptian Authorities in compliance with para. 7/c was circulated to the members in August (24 August 1998). It is designed to address the overall problems faced in the field of shipping and the feasibility of utilising the existing mechanism under OIC (BASCO) So far, Egypt, I.R. of Iran, Malaysia and Turkey responded to the questionnaire.

I would like to emphasize that it is of vital importance for the member countries to finalise the steps mentioned in para.7 of the Resolution and to speedily put them into implementation so that large potential for cooperation existing in the field of trade would be tapped without delay.

AGENDA ITEM. 6 CONSIDERATION OF D-8 COOPERATION IN OTHER SECTORS

a) Rural Development

In accordance with para.1 of Resolution 8 on Rural Development, I have inquired from the member countries their priority amongst the seven projects agreed upon by the Working Group. Seven members have indicated their priority, some designating more than one project. In the attachment of my letter 27 July 1998, I submitted an analysis of the replies for the convenience of the Distinguished Commissioners, on the basis of which **a decision may be taken at this session.**

b) Health

Upon the proposal of the Turkish Authorities, the Working Group on Health met in Ankara on 19-22 October 1998 to discuss the AIDS Prevention and Control Program in the member countries. Experts from Egypt, Indonesia, I.R.of Iran, Malaysia and Turkey took part in the meeting. Bangladesh and Pakistan were represented by the officials from their Embassies. Before the meeting, Egypt, I.R.of Iran, Malaysia and Pakistan submitted their country reports.

The meeting was fruitful, providing a unique opportunity to have a wide-ranging exchange of views on the experience of the member countries on AIDS Prevention and Control Programme.

The Working Group elaborated in chapter III. of its report (Activities) on the modes of cooperation amongst the members in this field. In this context, the Working Group has also foreseen an "E-mail correspondence" amongst D-8 countries on latest improvements about AIDS control experiences. **For this purpose, it is advisable for the member countries to exchange their E-mail addresses**, either directly or through the Office of the Executive Director. Egypt volunteered to host the next D-8 meeting on AIDS.

c) Energy

As agreed by the Commission, the Chairman-in-office sent a letter to the Commissioner of Nigeria on 18 May 1998, expressing on behalf of the Commission how much importance the member countries attached to the cooperation in the field of energy as well as their earnest hope to see the convening of the Working Group on Energy as soon as possible. A reply is soon expected from Nigeria.

AGENDA ITEM. 7

a) Agriculture

As I stated in my earlier report, cooperation in the field of aquaculture concerns rather a small part of the population in the agricultural sector. Due to generally low productivity in agriculture, **the food security** presents for the member states a serious problem as in many developing countries. For this very reason, ensuring food security is designated as one of the top priorities also in the **OIC Plan of Action**.

Accordingly, as Distinguished Commissioners recall, Résolution 7 invited "the assistance of the Government of Pakistan to consult with member states, through a questionnaire, and solicit their views regarding the modalities of cooperation in the field of gene improvement/bio-technology as well as explore possibilities of technical cooperation in the agricultural sector, taking into account the conclusions of the Working Group Meeting on Agriculture, held in Islamabad on 28-29 May 1997".

While expecting from the Pakistani Authorities the text of the questionnaire for circulation to the member countries, I have in the meantime received some very useful ideas from Egypt to this effect (the same Egyptian communication also suggests the promotion of investments for establishing fish farms to produce high quality fish and shrimps). I circulated them to the member countries (28 August 1998) for consideration by the Commission.

In the light of consultations which will be conducted by the coordinating country with the member states, the Commission may decide on new topics of cooperation, subject to the approval by the Dhaka Summit.

c) Finance-Banking-Privatization

As is known, the world economy since last year has undergone a serious financial crisis which first started in the Far-East and then spread to Russia and other parts of the world. The crisis created a turmoil in world markets, threatening economies of not only developing but also industrialised countries. Almost all countries are now facing the risk of economic recession.

IMF rendered assistance to those countries that are severely hit by the crisis and took measures to replenish its resources in order to meet the challenge posed by the threat of recession. Many from developed countries decided to adopt growth policies leaving aside for the moment anti inflationary measures.

The world crisis, which devastated economies of developing countries and precipitated riots and social unrest, has raised misgivings in the minds of most about the credibility of unfettered free market policies (i.e. globalisation and liberalisation). The age-old recipes of IMF are also questioned in this crisis.

In my view, it is in the interest of the member countries to exchange views about the lessons which must be drawn from this crisis and the measures they have taken to minimise the damage to their economy as well as to discuss the way in which they can collaborate in international fora like IMF to adopt common positions vis-à-vis problems faced by developing countries. At the same time, they may also consider to establish links between their capital markets with a view to strengthening them.

As will be recalled, the Commission at its V. Session requested (Res.3) “the assistance of the Malaysian Government as the coordinator of Finance, Banking and Privatisation sector to consider new lines of cooperation as recommended by the Working group meeting held on 19-20 May 1997, such as cooperation in the strengthening of capital markets and privatisation”.

In the light of this Resolution and the considerations mentioned above, the Commission may take appropriate decisions to be submitted to the approval of the Summit.

AGENDA ITEM. 8 OTHER MATTERS ARISING OUT OF THE V. SESSION OF THE COMMISSION

a) D-8 brochure

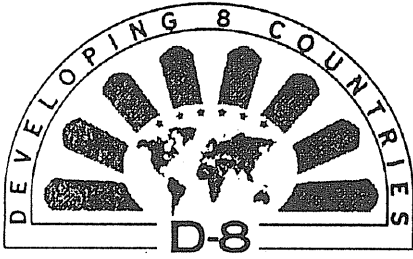
After having solicited the comments of the member countries on the draft presented to the last session of the Commission, the final text of the brochure was

printed. Each member country was provided with 300 copies through its Embassy in Ankara (The copies to Nigeria were sent through the Turkish Embassy in Lagos). Moreover, in compliance with the recommendation in para.5 of Resolution 10, Turkish Authorities have also prepared a Turkish version which is identical to the English original. On the occasion of the first anniversary of the creation of D-8 Group, both texts have been widely distributed in Turkey to the governmental departments, parliament, universities and scientific institutions, mass media, private sector, NGO's, etc.

b) The Coordinating Center and question of liaison

As reflected in para.24 of its Report, the Commission discussed in its V. Session the arrangements for coordination, including the question of creating a coordination center, in line with paragraph 4.5 of the Istanbul Declaration, wherein it was stated that "the Second D-8 Summit shall review the arrangements for coordination in order to adopt a decision on the modalities, including the establishment of a coordinating center in Istanbul". In the Commission, a consensus was reached that the member countries should review this matter between now and the Dhaka Summit. It was further agreed that the subject should be discussed at the next session of the Commission, prior to the Dhaka Summit, with a view to making a recommendation to the Heads of State and Government.

On the other hand, the Commission having observed the linkage between above-mentioned issue and the question of establishing liaison with the OIC and other international organisations (para.26 of the same report), decided to consider these two items together in its next session. Therefore, I submit these two issues to the consideration of the Distinguished Commissioners.



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D-8/COM.VI/ED. Report/Rev./Addendum
17 November 1998

VI. SESSION OF THE COMMISSION

REPORT (Revised) OF THE EXECUTIVE DIRECTOR (Addendum)

AGENDA ITEM. 7 NEW TOPICS OF COOPERATION

a) Agriculture

.....

b) Environment

Due to the growing challenge posed by environmental problems for the whole mankind, the Heads of State and Government agreed in their Istanbul Declaration to include “environment” amongst the areas of cooperation. On this ground, the Turkish Government recently proposed to initiate cooperation in this field (letter No: ENV/98/269 dated 18 September 1998 circulated). So far, Bangladesh, Indonesia, I.R. of Iran and Pakistan have responded, all favouring the idea. Moreover, Indonesia stated that concrete ideas would be communicated in due course. I.R. of Iran made some specific suggestions on the subject.

The Commission may consider the proposal and take appropriate decision, including the designation of coordinating country.

c) Finance-Banking-Privatization

.....



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D-8/COM.VI/ED. Report/Rev./Addend. 2
29 December 1998

VI. SESSION OF THE COMMISSION

REPORT (Revised) OF THE EXECUTIVE DIRECTOR (Addendum 2)

Additional information received from the member countries after the circulation of the Report (revised) of the Executive Director is detailed herebelow:

AGENDA ITEM 5.

a) Aquaculture:

Insert the name of **Malaysia** amongst the member countries that have designated their focal points.

Also insert the names of **I.R. of Iran and Malaysia** amongst the members that have submitted their lists of experts, scientists and institutions.

b) Agricultural Aircraft:

Add to the end of *paragraph dealing with work sharing principles* the following:

I.R. of Iran has already informed TAI of AG Aircraft parts manufactured in its country.

f) Trade:

Egypt has recently informed that the expert group meeting, initially scheduled to take place by the end of January 1999, is now going to be convened on **23-24 March 1999**.

AGENDA ITEM 6.

b) Health:

Add to the end of first paragraph the following:

The country report of Bangladesh which has lately been received is being circulated to the member countries.

AGENDA ITEM 7.

a) Agriculture:

Add to the end of the third paragraph the following:

Malaysia has responded to the Egyptian proposals and sent its comments on them.

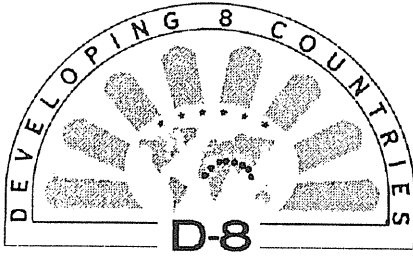
b) Environment (featured in the Addendum 1 of the Report):

Insert the name of Malaysia amongst the member states that favour the cooperation in this field.

Chart of D-8 Meetings Organised Since the First Summit

Members	Commission		Sectorial Meetings (Working Groups and Workshops)							Total	
	V. Session	VI. Session	Aquaculture	Agricultural Aircraft	Takaful	Data Bank Network	Poverty Alleviation	Micro-credit	AIDS Prevention & Control		
Bangladesh								20-21 Oct 97			1
Indonesia							16-19 June 98				1
I.R. of Iran						10-12 Aug 98					1
Malaysia					30 Mar-1 Apr. 98						1
Pakistan			17-19 Feb 98								1
Turkey	23-24 April 98	26-27 January 99		24-25 Feb 98 (II. Sess. WG) 2-3 June 98 (I. Sess. SG) 10-11 Nov. 98 (II. Sess. SG) 19 Feb. 99 (III. Sess. SG, scheduled)						19-22 Oct 98	7

Note: Three informal consultations at the Foreign Ministers level and one at the Summit level have also been held.



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D-8/COM. VI./ED. Report/Rev./Addendum 3
22 February 1999

VI. SESSION OF THE COMMISSION

REPORT (Revised) OF THE EXECUTIVE DIRECTOR (Addendum 3)

ADD THE FOLLOWING INFORMATION TO THE RELEVANT PARTS OF THE REPORT

AGENDA ITEM. 5: REVIEW OF PROGRESS IN PRIORITY PROJECTS

a) Aquaculture

Malaysia while responding to the proposals put forward by Egypt in promoting cooperation in the field of aquaculture, offered to organise training courses in shrimp farming technology. Turkey responded favourably to the Malaysian proposal.

I. R. of Iran also offered certain ideas for cooperation in the field of aquaculture such as holding joint research projects and educational workshops.

I.R. of Iran sent its list of private sector companies to be compiled in the Directory in accordance with Resolution 11 adopted at the VI. Session of the Commission.

b) Agricultural Aircraft

A progress report on agricultural aircraft engine selection was prepared by Turkey and circulated to all the member countries.

III. Session of the Study Group was held in Ankara on 19 February 1999. Its report was circulated to the member countries.

e) Establishment of an Industrial and Technological Data Bank Network

As referred in the report, I.R. of Iran in fact presented to the VI. Session of the Commission a paper on the minimum configuration and estimated cost of ITDB Network. Egypt sent its views on this proposal.

f) Trade

ii) Practical Steps

Turkey should be added amongst the four members (Bangladesh, Egypt, I.R. of Iran, Pakistan) which have designated their focal points in accordance with para.7/a-i of Resolution 6.

Indonesia and Malaysia should be added amongst the members (I.R. of Iran, Turkey) which have replied the Egyptian questionnaire on the exchange of trade information in accordance with para. 7/a-iii of Resolution 6.

The Egyptian Delegation circulated in the course of the VI. Session of the Commission a paper on the Trade Financing Schemes operating under IDB to get comments from the member countries in preparation of the Cairo Expert Group Meeting. Malaysia sent its comments on this paper.

I.R. of Iran also designated Uniform Resource Location (URL) as their Trade Information Center in addition to Indonesia, Pakistan and Turkey.

AGENDA ITEM. 6: CONSIDERATION OF D-8 COOPERATION IN OTHER SECTORS

a) Rural Development

In response to Resolution 16 whereby the Commission decided at its VI. Session to implement as a matter of priority the project "Promoting Rural Industrialisation by a Comprehensive Approach", Egypt prepared a project proposal which was circulated to the member countries.

b) Health

Egypt designated their Ministry of Health as the focal point on HIV/AIDS

AGENDA ITEM. 7: NEW TOPICS OF COOPERATION

c) Finance-Banking-Privatisation

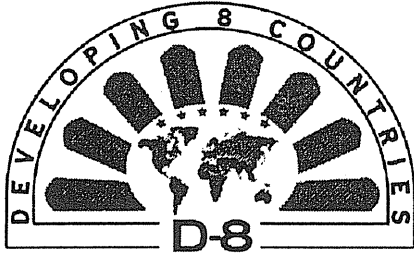
In response to Resolution 3 adopted at the V. Session of the Commission, Malaysia offered to organise a training courses during the next three years starting from 1999 in the field of banking as well as a seminar in mid-July 1999 to discuss theoretical and practical aspects of Islamic Banking and Financial System.

Furthermore, Malaysia proposed the establishment of a Re-takaful Company among D-8 countries and prepared for this purpose a paper on transforming the ASEAN Re-takaful International Limited into a well-capitalised Re-takaful Company of D-8. The paper was circulated to the member countries.

d) D-8 Technical Consulting Association

I. R. of Iran sent a draft proposal on D-8 Technical Consulting Association. The draft was circulated to all the member countries for their comments. In response, Egypt sent its draft text which was also circulated.

STATEMENT BY THE EXECUTIVE DIRECTOR



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26 January 1999

STATEMENT BY THE EXECUTIVE DIRECTOR

(VI. Session of the Commission)

Mr. Chairman, Excellencies,

The revised version of the Report of the Executive Director is before you. There are two addenda to the Report. The first is dated 17 November 1998 and referring to the Agenda Item 7/b on Environment. The second is dated 29 December 1998 and updating the Report in the light of the additional information provided by the member countries after its circulation.

The main task of the commission is to prepare the Dhaka Summit and in this context, to review the past progress and to propose guidelines for future work.

As you have seen in the report, progress has been achieved in the implementation of priority projects approved by the Istanbul Summit. Indeed, work sharing principles on the Agricultural Aircraft Project have been agreed upon and testing flights are planned to be carried out this fall.

Aquaculture Information and Monitoring Center is expected to soon start functioning and most member countries provided information for the compilation of the Directory of scientists and experts.

Working Group on Human Resources Development held a successful meeting on poverty alleviation and adopted an action plan and a series of recommendations for approval by the Dhaka Summit.

Extensive discussions took place on various aspects of the project "Industrial and Technological Data Bank Network". The coordinating country is expected to soon submit a minimum configuration of the network with its estimated cost for consideration by the Summit. I firmly believe that the network will start to function some time during the year.

In the field of trade, necessary preparations have been made for the convening, soon after the Summit, an expert group meeting which will discuss the International Trading and Marketing Company as well as practical steps pending its establishment.

In the light of the discussions on Takaful, interested member countries can certainly cooperate with those that have wide experience in this field.

As will be recalled, the Working Group on Rural Development adopted seven projects. The Commission may decide to put one of them into implementation as a matter of priority.

In the field of health, cooperation is initiated on AIDS Prevention and Control Program.

Under the Agenda Item 7, I ventured to suggest for your consideration some additional subjects of cooperation. Certainly, it is up to the coordinating countries to propose, for adoption by the Summit, new subjects of cooperation in the sectors for which they are responsible.

In connection with Item 7, I would like to make two additional remarks. I.R. of Iran has recently submitted a proposal on "D-8 Technical Consulting Association". I distributed it as attached to the letter dated 11 January 1999. Secondly, the Turkish Authorities have submitted for consideration by the member countries some projects which were earlier presented to COMCEC/OIC. You will find them as attached to the letter dated 28 December 1998.

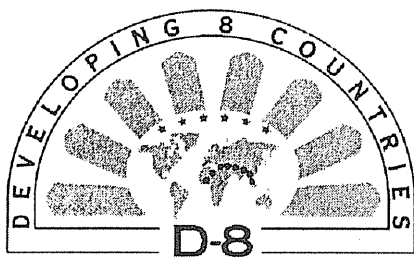
On most of these subjects, I have submitted draft resolutions in order to facilitate and expedite the work of the Commission. These drafts and others may be discussed in a drafting committee at this meeting and, if necessary, be reviewed at the resumed session at Dhaka.

As will be recalled, in their informal consultations in New York, the Commissioners underlined the importance of organising **Business Fora** in order to stimulate the interest of private sector and to engage it in D-8 cooperation. As requested by the Commissioners, I contacted with the Secretariats of G-15 and APEC to get their advise on this matter. The information offered by these two organisations was circulated with the letter of 27 October 1998. The Commission may also consider this question at this session.

Furthermore, the Commission has to address the questions of Coordinating Center and liaison at this session and submit appropriate recommendations to the Summit.

All actions and decisions to be taken by the Commission must of course be duly reflected in the Dhaka Declaration. In anticipation of discussions which will take place on various items in the Commission, I have prepared a Draft Declaration and circulated the text to you all. At this session, the Commission may in a preliminary manner consider this draft and do the final reading in Dhaka.

AGENDA OF THE MEETING



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**D-8/COM. VI./Agenda/Rev.
1 December 1998**

AGENDA

VI. SESSION OF THE COMMISSION

(26-27 January 1999)

1. Opening statement by the Commissioner of Turkey, Chairman-in-office of the Commission.
2. Adoption of the Agenda
3. Report of the Executive Director
4. Preparations of the Dhaka Summit i.e.
 - Briefing by Bangladesh on organizational matters (including the dates of the Council and the Commission, conferences facilities, accommodation etc.)
 - Draft Provisional Agenda of the Summit
 - Programme of Work
 - Draft Declaration
 - Draft Resolutions
 - The proposal to hold the Business Forum
 - Cultural activities organized by the Bangladesh Authorities on the occasion of the Summit
5. Review of the progress in six priority projects
 - a. **Agriculture:** Implementation of Resolution 1 of the V. Session of the Commission on Aquaculture
 - b. **Industry:**
 - i. Consideration of the Reports of the I. and II. Sessions of the Study Group held in Ankara on 2-3 June 1998 and 10-11 November 1998 respectively.

- ii. Evaluation of current and future market potential for each individual country as well as neighbouring countries (parag. 6 of the Report of the I. Session of the Study Group).
- c. **Finance, Banking and Privatization**: (Takaful)
- d. **Poverty Alleviation and Human Resources Development** : Consideration of the Report of the Workshop on Poverty Alleviation held in Jakarta on 16-19 June 1998.
- e. **Telecommunication & Information**: Consideration of the Report of the Workshop held in Tehran on 10-12 August 1998 on the Establishment of Industrial and Technological Data Bank Network.
- f. **Trade**: Implementation of Resolution 6 on Trade, adopted by the V. Session of the Commission.
 - i. Comments by the member countries on the Egyptian prefeasibility study on the Establishment of an International Trading and Marketing Company. (Consolidated text prepared by the Executive Director, dated 24 August 1998)
 - ii. Practical steps pending the establishment of the Company mentioned above.
- Export promotion/ trade information:
 - Replies to the Egyptian questionnaire on the use of the OIC mechanisms (para 7/a-iii of the Res.) and additional steps, including ie:
 - Comments of the member states on the proposal by the Turkish (Istanbul) Chamber of Commerce to establish Business Services Centers (para 7/d of the Res.)
 - Comments of the member states on the paper by the Egyptian Authorities on Preliminary Scheme for the Establishment of a Trade Database for D-8 Group-Kompass International (para 7/d of the Res.)
 - Proposal by the Turkish (Istanbul) Chamber of Commerce to link the trade information centers of the Chambers of Commerce or similar institutions of the member states (Letter No:TR/98/138 dated 3 June 1998 and its Annex).

- Export support measures: The use of existing OIC- IDB mechanisms and the convening of a meeting of banking experts.(para 7/b of the Res.)
- Shipping questions (para 7/c of the Res.)

6. Consideration of D-8 Cooperation in other sectors.

- a. **Rural Development**: Setting the priority amongst the projects recommended by the Working Group on Rural Development on the basis of the replies given by the member countries. (Res. 8) (Letter No:RD/98/202 dated 27 July 1998 and its Annex).
- b. **Health**: Consideration of the Report of the II. Session of the Working Group on Health on the AIDS Prevention and Control Program. (Res. 9)
- c. **Energy**: Letter from the Commissioner of Turkey (Chairman-in-office) to the Commissioner of Nigeria (para 21 of the Report of the V. Session of the Commission)

7. New topics of cooperation.

- a. **Agriculture**: Biotechnology and technical cooperation (Res. 7)
- b. **Environment**: Turkish proposal
- c. **Finance, Banking and Privatization**: Global financial crisis and cooperation in the strengthening of capital markets and privatization (Res. 3)

8. Other matters arising out of the V. Session of the Commission in Istanbul, i.e.

- Public Relations: D-8 Brochure (Res. 10)
- D-8 Coordinating Center in Istanbul (para.11 of the Istanbul Declaration, para.4.5 of the Document “Structure and Functioning of D-8 and para.24 of the Report of the V. Session of the Commission)
- Liaison with the OIC and other relevant international organizations. (para.9 of the Istanbul Declaration and para. 26 of the Report of the V. Session of the Commission.)

9. Any other business.

PART III

MEETINGS AT TECHNICAL LEVEL

**Working Group Meeting
on
Rural Development and Micro Credit**

Dhaka, Bangladesh

20-21 October 1997

Proceedings of the First Working Group Meeting on Rural Development and Micro Credit of D-8 Countries

1. Introduction :

The concept of D-8 or Developing-8 was floated by Turkey in September 1996 advocating the setting up of an organization consisting of eight populous developing countries viz. Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey. The basic aim was to cooperate in political, economic, trade, cultural and other fields not only for benefit of member countries individually but also to improve their lot as members of a group. The idea is basically to go for joint collaborations and economies of scale which would help all D-8 countries to take concrete steps for the common benefit of the group. It was felt that by conducting joint projects the cost of technology sharing and other overhead cost, would be reduced whereas each country could benefit from the experience and point of strength of other member countries.

The concept of this collaboration and cooperation was found to be acceptable to all the eight countries and they sat several times to find out ways and means to materialize the idea. In June 1997 the Heads of Government/State of D-8 countries met in a Summit in Istanbul, Turkey and gave the idea of formal shape through a Joint Declaration. The membership of D-8 is open to other developing countries subscribing to the goals, objectives and principles of the organization and sharing common bonds. With its secretariat in Istanbul D-8 has the following organizational framework :

- summit comprising Heads of Government/State to meet annually as the highest level forum.
- Council of Members Comprising Ministers in charge of Foreign Affairs as the principal policy and decision making body of the D-8 which will also meet annually and report to the Summit of Heads of Government/State.
- Commission Comprising designated senior officials which will report to the Council. The Commission has different working groups (at present eight) in different areas of cooperation.

Each member country has a focal point in one of their ministries to coordinate the activities of D-8 working group(s) allotted to her.

Bangladesh coordinates the activities of Rural Development and Micro-Credit Sector of D-8 Countries under the above arrangement.

2. Opening of the meeting :

The First Working Group meeting of D-8 countries on Rural Development and Micro credit was held on October 20-21, 1997 at Hotel Sheraton, Dhaka, Bangladesh. Organized by the Rural Development and Co-operative Division of the Ministry of Local Government, Rural Development and Co-operatives, the focal point of the sector in Bangladesh. The meeting was inaugurated by Mr. Md. Zillur Rahman, Hon'ble Minister for Local Government, Rural Development and Co-operatives

(Annex - A), Mr. Abul Hasan Chowdhury Hon'ble Minister of State for Foreign Affairs was the Special Guest in the inaugural session. Syed Marghub Morshed, Secretary, Rural Development and Co-operative Division presided over the inaugural session and presented the keynote paper (Annex - B). Mr. Md. Azizul Haque Bhuiyan, Joint Secretary (Development) and Convenor of the Working Group meeting delivered the welcome address (Annex - C).

The delegates from Bangladesh, Egypt, Indonesia, Iran, Malaysia, Pakistan and Turkey attended the meeting. There was no delegate from Nigeria in the meeting. (List of delegates at Annex - X).

3. Election of the Chairman

Dr. Shah Mohammad Farid, Secretary, Ministry of Planning and Member Planning Commission, Government of Bangladesh and leader of Bangladesh delegation was unanimously elected Chairman of the meeting.

Adoption of the Agenda :

The meeting had before it the Provisional Agenda circulated. The agenda as adopted is at Annex - D.

4. Appointment of the Drafting committee :

The meeting then appointed a four member drafting committee with Mr. Mufazzel Hossain, Director General, Bangladesh Rural Development Board as Convenor. Other Members of the group were Dr. Mohammad Solaiman (Bangladesh), Dr. Mohammad Hossain Emadi (Iran) and Mr. M. Jalil Khan (Pakistan).

Presentation of the Country papers :

a) Bangladesh :

Mr. Mufazzel Hossain, Director General, Bangladesh Rural Development Board (BRDB) presented Bangladesh country paper. In his presentation Mr. Mufazzel traced a brief history of rural development and micro credit activities in Bangladesh from British era upto today and informed that research organizations like BARD, Comilla and RDA, Bogra was engaged in experimenting various approaches of rural development and poverty alleviation in the context of socio cultural situation in the country and added that the models developed by them were being implemented by the Bangladesh Rural Development Board which is the premier Public Sector agency in the field. Giving a brief account of some success areas of BRDB he also mentioned that some other government agencies like Department of Youth Development, Department of Women Affairs, Nationalized Commercial Banks and NGOs and research organised were also involved in rural development and micro credit activities. He also mentioned some areas of capabilities and needs of Bangladesh agencies and requested the participants to take them into consideration while formulating projects in the meeting (Annex -E). His presentation was followed by a lively discussion.

Dr. Ibrahim Moharam, Vice Minister, Egypt, Dr. Mohammad Hossain Emadi, RRC, Iran, Mr. M. Jalil Khan from Pakistan participated in the discussion. The discussions

concentrated mostly on relationship of micro credit and human services activities, sustainability issues, NGO management etc.

Reacting to the queries Mr. Mufazzel informed that the government programmes in Bangladesh on poverty alleviation are designed as a package programme where human development and micro credit activities are operated side by side. The beneficiaries do not pay for the social and human development services he further informed. Terming the issue of sustainability in regard to rural poor programmes as debatable he thought that mere earning interest from micro credit operations could not be the only criteria for attaining sustainability. The government, he added, considers service to the poor not an expenditure but as an investment.

However he gave a brief account of the government efforts through which the issue of sustainability was being addressed and said that the government agencies were building infrastructures in the rural areas and in some programmes, targeted poor were linked to infrastructure building and the beneficiaries were required to save out of their earnings to attain financial viability.

Dr. Syed Hashemi of Grameen Bank gave a brief account of the activities his organization pursues with regard to sustainability and accountability. He said that the Micro credit business could be run profitably. About accountability of NGOs he informed that they were not accountable to the state or donors but to the people for whom they were working.

Dr. Salehuddin Ahmed of PKSF while participating in the discussion informed that Bangladesh Bank was framing a broad guideline for NGOs and hoped that NGO - Government relationship would further improve in future.

Dr. Salehuddin of BRAC emphasized on sustainability of peoples enterprise, programme, sustainability and organizational sustainability and listed some factors for NGO management which included finance, management leadership and implementation strategy etc. The role of NGO affairs Bureau also came up for discussion.

Dr. Shah Mohammad Farid in his comments said that in the absence of local government institutions there was a lack of sense of direction. Referring to a recent government decision to install a four tier local government system in the country he hoped that the NGOs would be accountable to them.

B. Egypt :

Dr. Ibrahim Moharam presented the next paper, on Egypt and gave a short history of rural development co-operatives in his country. He dwelt at length on National Programme for Integrated Rural Development "Shrouk" which is an outcome of decades of conceptual and practical efforts to improve the quality of life of Egyptian villagers. He also gave a brief account of the methodologies in regard to community Resource Assessment, Community mobilization, development of community plans, implementation of the plan, monitoring and evaluation etc. (Annex - F).

Ms. Feza Kum Basar, SMIDD, Turkey, Dr. Solaiman, DG, RDA, Bangladesh, Mr. Md. Azizul Haque Bhuiyan, Bangladesh, Dr. Emadi, Iran and Dr. Hashemi from Bangladesh participated in the discussion. Their discussion revolved mainly round

integration of local government initiatives with cooperatives, NGO participation, degree of success of Shrouk, leadership condition etc.

Dr. Moharam, in response to the questions raised, briefly narrated the institutional framework of Shrouk and asserted that they were trying to limit cut throat competition between agencies through putting emphasis on social relationship. He lauded the leadership of President Hosne Mubarak who coordinates the activities along with the support of the 1st lady and informed that a sense of ownership of the programme prevails amongst all the government agencies. He also briefly, narrated the technical, financial, economical, social and environmental dimensions of accepting the programmes by the people.

C. Iran :

Dr. Mohammad Hossain Emadi presented his paper on Iranian activities on Rural development and poverty alleviation in the first session on October 21, 1997. He gave a brief account of their activities before and after the Islamic revolution and informed the meeting that during Pahlavi regime the country was faced with high level of modernization with emphasis on western style industrialization and urbanization. The approach ignored the rural areas and the rural people were doubly oppressed. During revolution, due to deterioration of relationship with USA and western world they adopted the policy of 'No west No east' and concentrated on food self sufficiency, he added. After revolution, they had the Jihad for Reconstruction for improvement of rural people on holistic approach basis, Dr. Emadi said. During discussion it came out that women participation in development in Iran was more pronounced than in other countries where 35% of drivers in Tehran are women and each ministry in the government has a person to look after women issues. However Iran always tries to keep the Islamic character of the women involvement which all the participants appreciated. It was also found during discussion that Iran was practising Islamic system of Karze Hasana (loan without interest) and Zakat system (Annex - G).

D. Turkey :

Ms. Feza Kum basar while presenting her country paper recognized that poverty in Turkey was not so pronounced in Turkey as in other countries. However she said that the south eastern and eastern part of Turkey was relatively poor and they were formulating a project to develop the area. In her presentation she gave synopsis of the activities they were planning to undertake.

Dr. Shah Mohammad Farid, Mr. Mufazzel Hossain participated in the discussion. Ms Feza addressed the issues raised by the participants and informed that NGOs were not allowed to operate funds in Turkey. She also mentioned about some problems of her country with regard to UNDP fund. These funds did not cover training and human development activities. In her country the financial rules did not allow NGOs to handle credits, she further added.

Field Visit :

The participants of the Working Group meeting were taken to Dighirchala Mahila Unnayan Samity (Dighirchala Women Development Society). This society is covered by the project 'Integrated Rural Women Development Programme' under the Bangladesh Rural Development Board, Gazipur district, about 32 km north of Dhaka city on October 20, 1997. The society has a membership of 105 destitute women in the village and has a wide range of activities involving social and economic development of the members. Formed in 1984 with 40 members it has accumulated a own capital of Tk. 2,54,512.00 till June 1997 through shares and savings and invested Tk. 11,75,000.00 as loan against different income generation activities, the rate of recovery being 100%. The participants had a free discussion with the members and saw round their income generation activities like poultry raising, bee keeping, pisciculture, cattle rearing, sewing, vegetable gardening etc. During discussion the members informed that they were charged an interest rate of 13% on their loans at declining balance basis, payable at weekly installments, which comes to around 6.5% per annum in effect, compared to 22% charged by Grameen Bank at flat rate. The visiting delegates were also told that 23 members of the society were graduated and did no more take loans from the society.

Later they visited the Center for Development Management of BRAC at Rajendrapur. Dr. Saleh Uddin received them at the Centre.

The delegates were given a brief on the activities and evolution of BRAC as a development organization. The brief was followed by a film show and question-answer session.

They visited the Grameen Bank H.Q. the following day (October 21, 1997) between 11:15 and 15:00 Hrs. Dr. Mohammad Yunus and Mr. Khalid Shams, Managing Director and Deputy Managing Director respectively of the Bank received them and explained to them the aims, objectives and achievements of Grameen Bank in the field of poverty alleviation through micro credit. They were also given a brief about diversification of Grameen Bank activities in order to attain economic, financial and institutional sustainability. The briefing session was followed by question and answer.

The next session of the working group devoted on formulation of projects.

LIST OF PROJECTS

Sl. No.	Name of the Projects	Country proposing
1.	Training Programme on Micro Credit Management	Bangladesh
2.	Training Programme on Village Based Data Bank	Iran
3.	Workshop on Development of Modalities for Information Exchange on Implications of Islamic Values on Poverty Alleviation	Iran
4.	Study tour on Rural Development Programmes and Small Credit Operation in Bangladesh	Bangladesh
5.	Micro Enterprises for Rural Development	Bangladesh
6.	Promoting Rural Industrialization by Comprehensive Approach	Egypt
7.	Consultancy/Advisory Services on Rural Development,	Bangladesh

**Workshop on Development
of
Inland and Coastal Aquaculture**

Islamabad, Pakistan

17-19 February 1998

**Report of the Workshop on Development of Inland
and Coastal Aquaculture in D-8 Countries
17-19 February 1998 - Islamabad, Pakistan**

1. Introduction

The Workshop on Coastal and Inland Aquaculture among members of the D-8 Group was held in Islamabad on 17-19 February 1998 under the auspices of the Ministry of Foreign Affairs and the Ministry of Food, Agriculture and Livestock of the Islamic Republic of Pakistan. Participants included government representatives of Bangladesh, Egypt, Iran, Malaysia, Nigeria, Pakistan and Turkey; and representatives of FAO and the Network of Aquaculture Centres in Asia-Pacific (NACA). The List of Participants appears as Annex I.

2. Background

A major objective of the D-8 Group is to promote socio-economic co-operation among the eight member countries, namely Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey. Each country has been assigned the responsibility of coordinating a programme of socio-economic co-operation in a particular sector. Pakistan has been assigned the sector of agriculture under which aquaculture has been identified as a priority area. The workshop is the initial activity to implement D-8 cooperation in aquaculture.

3. Objectives

The objectives of the workshop were to:

1. Identify priority areas for collaboration and co-operation amongst D-8 member countries in developing aquaculture
2. Formulate strategies and agree on modalities for the implementation of the prioritised aquaculture development project/s
3. Develop effective mechanism/s for future co-operation amongst the D-8 member countries

4. Opening Ceremony:

The opening ceremony, presided over by the Minister for Food, Agriculture & Livestock, Mian Abdul Sattar Lalika, started at 0930 hrs with the recitation of verses from the Holy Quran.

The Honourable Minister for Food, Agriculture and Livestock Mr Mian Abdul Sattar Lalika in the Keynote Address stressed that while fishery can and does provide substantial benefits, the resources are not infinite and that their productive capacities are now under tremendous strain from irresponsible practices. He stressed the importance of promoting aquaculture through special campaigns and provision of various incentives to fish farmers.

To achieve the goal of improving the quality of life of our rural poor, we will have to join hands together, he urged, saying the this is the philosophy behind the establishment of the D-8 group. He described D-8 as a forum for experts from member countries to share knowledge and experiences to achieve the common goal of socio-economic development of people. He urged the delegates to develop a very appropriate and functional mechanism for future co-operation for the development of aquaculture in the region.

Mr A.W. Kazi, Secretary, Food, Agriculture and Livestock said that in line with the present Government's policy to diversify agriculture, fisheries development, particularly aquaculture, has been accorded a high priority. Technically, Pakistan's aquaculture is at a stage when it can immensely benefit from the transfer of technology from other D-8 countries. At the same time, it has achieved notable progress in some areas in which it could provide, however modest, a meaningful contribution to this regional co-operation, which he described as a mechanism for putting together the technical resources of individual countries to a regional pool for meeting the socio-economic development needs of the D-8 countries.

Mr Anwar Kemal, Additional Secretary of the Ministry of Foreign Affairs and D-8 Commissioner for Pakistan stated that D-8 priority project was Co-operation for the Development of Inland and Coastal Aquaculture. He said that a small investment in aquaculture could yield high returns. For example in the United States catfish production rocketed from 6 M.lbs in 1970 to 472 M.lbs in 1996, creating 13,000 jobs and contributing US\$4 billion to the economy. The Aquaculture industry in the D-8 countries faced many constraints, he said, referring among others to the great diversity of aquaculture species and systems and different levels of development among the countries, which he said are a challenge and an opportunity for regional co-operation.

Dr Rohana Subasinghe, Fisheries Resources Officer, FAO Rome, described the role of sustainable aquaculture in assuring food security, poverty alleviation, employment generation and overall national economic development. He highlighted the role of FAO in assisting sustainable aquaculture development through various technical assistance programmes, a number of which have been implemented in the D-8 countries. He praised the D-8 initiative in regional co-operation for aquaculture development and stressed that this co-operation would benefit much from expertise already available in the participating

countries. He assured the delegates of FAO's readiness to provide the required assistance to this activity within the abilities and capacities of the organisation.

The Meeting reconvened for the Workshop at 1030 hours under the Chairmanship of the D-8 Commissioner for Pakistan and Mr Jameel Ahmad, Fisheries Development Commissioner.

5. Workshop Agenda

The Workshop Agenda is given in the Annex II.

6. Country Reports

The representatives of Bangladesh, Egypt, Malaysia, Pakistan and Turkey presented their respective country reports. Indonesia had submitted a written report and the delegate from the Nigerian High Commission read a statement outlining the fisheries development status of Nigeria. The summaries of the country reports appear as Annex III.

To provide a global context to the regional situation and country reports, Dr Rohana Subasinghe of FAO Rome presented a global aquaculture production and trends.

7. Capacities and Needs of the D-8 Countries

In order to develop a collaborative plan of action for the sustainable development of inland and coastal aquaculture in the D-8 countries, it was found necessary to determine the existing capacities and needs of the individual member countries. The following methodology was used to determine the capacities and needs:

1. Reports from countries indicated their competence and needs, as well as constraints to aquaculture development. These were the basis for summarising the capacities (C) and Needs (N) by country and classifying these by activity or method of meeting the needs i.e. research, training, advisory services (expert exchange and information provision), joint venture including provision of facilities and materials, and trade and market development.
2. The draft Capacities and Needs by country were picked out from papers received in advance from and reported by countries including Bangladesh, Egypt, Malaysia, Pakistan and Turkey. Indonesia submitted the response to a proforma survey, Iran and Nigeria were represented by officers of their respective High Commissions.

3. The draft Capacities (C) and Needs (N) by country were distributed to the delegates for validation and revision.
4. Statement of needs (N) were discussed and corresponding countries indicated whether they needed or they had the capacity (C) to meet the need through any of the following means:
 - Adaptive research
 - Training and capacity building
 - Advisory services including staff exchange and information provision
 - Joint ventures including provision of facilities and materials, and
 - Trade and market development.
5. The capacities and needs of the member countries as determined by the two working groups, on Inland Aquaculture and Coastal Aquaculture, are given in Annexes IIIA and IIIB.

8. Analysis of the Capacities and Needs:

The Meeting analysed the capacities and needs of the member countries identified by the Group. Considering the needs and capacities of the member countries, the following recommendations were made and unanimously agreed upon.

9. Recommendations:

1. The Group agreed that aquaculture has the potential to assist member countries in their efforts to alleviate poverty, provide employment, improve nutrition, ensure food security, and increase foreign exchange earnings.
2. The Group agreed that while improving aquaculture technologies for the production of high value species, priority should be given to further develop aquaculture systems and species which could assist and support poverty alleviation, employment, improving nutrition, food security and rural community development.
3. The Group emphasised that the development of aquaculture should be sustainable, and should take into consideration the potential impacts on the environment and aquatic and terrestrial biodiversity.
4. The Group recognised that increase in food production is the main goal of aquaculture development. Considering the importance of maintaining sustainability, the Group recommended that the aquaculture development activities should be guided by responsible practices and technologies as

outlined in the FAO Code of Conduct for Responsible Fisheries and other relevant international and regional agreements and instruments.

5. The Group recommended that collaborative aquaculture research, development and extension programme/s should be developed and implemented in the areas identified and prioritised by the member countries as outlined in Annexes IIIA and IIIB.
6. It was agreed that these aquaculture development programme/s should be implemented primarily by the D-8 countries themselves using their own resources and funds supplemented by technical other assistance from member countries.
7. The arrangements for identifying resource needs, institution and agency involvement, and modalities for providing and receiving assistance should be decided through consultation among the collaborating member countries. Request for assistance through bilateral mode of co-operation including TCDC and other mechanisms should be explored.
8. The Group strongly recommended that the respective D-8 governments should strengthen their own capacities and provide adequate resources and funds to the concerned institutions and agencies involved in the D-8 aquaculture development co-operation, for the effective implementation of the recommendations.
9. Since certain D-8 members are also members or participants of other regional inter-governmental organisations such as the Network of Aquaculture Centres in Asia-Pacific (NACA) and international development organisations such as FAO, ICLARM and the UNDP, the Group recommended that possibilities should be explored for obtaining assistance from such organisations for the implementation of agreed upon activities.
10. The Group strongly recommended that, as a priority, a mechanism should be developed for information exchange among the member countries on aquaculture. In the light of this recommendation the Group underscored the importance of establishing a "D-8 Aquaculture Information and Monitoring Centre (D-8 AIMC)" at the most relevant state agency in each member country. Use of efficient and cost effective modes of communication such as electronic mailing and Internet was emphasised for communication amongst the member countries.
11. As an initial collaborative activity of the D-8 AIMCs, the Group recommended that a directory of aquaculture experts, scientists, institutions, and capabilities in the D-8 member countries should be compiled under the co-ordination of the D-8 Commissioner of Pakistan by the end of 1998

12. Enhancing the private sector involvement in aquaculture development was recognised as important and timely, and it was agreed that the D-8 member countries should create an enabling environment to support and facilitate such involvement.
13. It was strongly recommended that collaborative, adaptive research programmes should be developed amongst D-8 member country institutions on the areas identified by the Group (see Annexes III A and B). Emphasis should be given to genetic improvement, health management, nutrition and feeding, and pollution control and environmental management.
14. The meeting recommended for the consideration of appropriate D-8 authorities that the progress made in the implementation of the agreed upon recommendations should be reviewed after one year at a workshop to be held in Islamabad (Pakistan) in early 1999.

Annex IV A

Capacities and needs of the D-8 countries in inland aquaculture development

1. Adaptive Research

Freshwater species and systems	Capacities and Needs by Country (C/N)							
	Bgd	Egy	Ins	Ira	Ma I	Nig	Pak	Tur
1. Intensive cage-culture of carp species	N	N	C		N		N	N
2. Breeding and culture of Catfish spp. Mahasher - Tor sp. and Hilsa sp. Macrobrachium sp. Anabus spp. Tilapia	N N N	C			C C		N N N	N
3. Feed formulation and nutrition Trout spp. Shrimp Carp species	N N	N					N N N	C C C
4. Fish culture in water-logged areas	N	N			N		N	
5. Aquaculture health management	N	N			N		N	C
6. Disease control in open waters	N				N		N	
7. Genetic improvement Carp species Indigenous fish Shrimp	N N	N			N N		N N	N
8. Pollution control and management	N	N			N		N	C
9. Hatchery management Carp species Trout Shrimp	C N	C			N		C N	C C
10. Pond engineering and design		N			C		C	C
11. Aquatic weed control	N	N			N		C	N
12. Openwater/reservoir aquaculture	N	N			N		N	C
13. Post harvest technology Carp species Tilapias Shrimp	N N	N			N		N N	C C
14. Fish marketing and economics		N			N		N	C
15. Conservation of endangered spp.							C	N
16. Conservation of endemic species							C	N
17. Fish population dynamics							C	

2. Training

Freshwater Species and Systems	Capacities and Needs by Country (C/N)							
	Bgd	Egy	Ins	Ira	Mal	Nig	Pak	Tur
1. Closed water recirculation systems	N	N					N	C
2. Reservoir aquaculture	C	N	C		C		N	C
3. Semi-intensive aquaculture		N					C	N
4. Management of undrainable ponds	C	N			N		C	N
5. Enhancement and management of open waters, oxbow lakes, rivers, etc.	C	N			N		N	C
6. Polyculture of carps	C	C		N			C	N
7. Trout breeding, hatchery and farming							C	C
8. Large-scale trout farming							N	C
9. Aquaculture project design and development	C	C			N		C	C
10. Water pollution control		N			N		N	C
11. Reclamation and utilisation of water-logged areas and adverse soils	N				N		N	N
13. Coldwater pond fish culture								C
14. Raceways, floating cage and pen culture of fish	N	N	C		N		N	C
15. Use of disused closed water bodies	N	N			C		N	N
16. Aquarium/ornamental fish and plants, breeding and culture	N	N			C		C	C
17. Freshwater pearl culture	C				N		N	
18. Indigenous aquatic species breeding and conservation					N		N/C	N

3. Advisory

Freshwater Species and Systems	Capacities and Needs by Country (C/N)							
	Bgd	Egy	Ins	Ira	Mal	Nig	Pak	Tur
1. Integrated fish farming	C	N	C		N		N	N
2. Fish feed formulation	N	C	N				C	C
3. Trout breeding, hatchery							C	C
4. Carp breeding, genetic improvement	C	C			N		C	C
5. Catfish breeding, culture	C						N	N
6. Freshwater cage culture	N	N	C				N	C
7. Disease control	N	N			N		N	C
8. Freshwater prawn fry production	N				C		N	
9. Aquarium fish breeding		N			C		C	
10. Monitoring, analysis of production 11. and stocking	N	N			N		C	C
12. Water pollution control (standards and regulations)	N	N			C		N	
13. Carp culture	C						C	
14. Weed control in aquaculture	N						C	
15. Limnological studies							C	
16. Aquaculture management							C	
17. Effluent standards and regulations	N	N	N		C		N	N
18. EIA, environment management	N	N	N				N	C
19. Conflict resolution	N	N	N				N	N
20. Coastal zone management	N	N	N				N	C
21. Mangrove-aquaculture integration	N	N	C				N	
22. GIS planning and implementation	N	N	C				N	N

4. Joint venture, facilities, equipment, supplies

Freshwater Species and Systems	Bgd	Egy	Ins	Ira	Mal	Nig	Pak	Tur
1. Feed manufacture	N	N					N	C
2. Investment in aquaculture projects	N	N					N	C/N
3. Investment in hatcheries	N						N	N
4. Post-harvest transportation	N							
5. Refrigerated fish transportation	N							

5. Post harvest production, Marketing and Trade

Freshwater species and systems	Capacities and Needs (C/N)							
	Bgd	Egy	Ins	Ira	Mal	Nig	Pak	Tur
1. Freshwater fish processing	N	N					N	C
2. Refrigeration and transportation	N	N					N	C
3. Marketing technologies		N					N	C
4. Production economic analysis		N					N	C
5. Value added products	N	N					N	C

Capacities and Needs of D-8 Countries in Coastal Aquaculture Development

1. ADAPTIVE RESEARCH

Brackishwater & marine species	Capacities and Needs (C/N)							
	Bgd	Egy	Ins	Ira	Mal	Nig	Pak	Tur
Shrimp diseases	N	N	N	N	N	N	N	N
Shrimp pond effluent management	N	N	N	N	N	N	N	N
Fish diseases	N	N	N	N	N	N	N	N
Water contamination (food safety)	N	N	N	N	N	N	N	N
Pollution control	N	N	N		N	N	N	C
Diversification/other mariculture spp	N			N				N
Seaweed culture	N		C	N	N		N	C
Mollusc culture	N			N	C		N	
Artemia (culture, harvest, processing)				N			N	N
Mullet culture	N	C						

2. Training

Brackishwater & marine species	Capacities and Needs by Country (C/N)							
	Bgd	Egy	Ins	Ira	Mal	Nig	Pak	Tur
Establishment of an Institute of Aquaculture for technician-level and advanced studies in marine fish breeding, larviculture, feeding and nutrition, diseases	N	N	N	C	N	N	N	C
Feed formulation & manufacture	N	C	N	C	C	N	N	C
Estab. of marine fish hatchery	N	N	C	N	C	--	N	C
EIA, conflict resolution,	N	N	N	C	N	N	N	N
Shrimp breeding, hatchery, culture	N	N	C	C	C	N	N	N
GIS (Geographic info system)	N	N	N	N	N	N	N	N
Site selection and development	C	N	N	C	C	--	N	C
Soil and water quality mngmnt	N	--	N	C	--	--	N	C
Disease control (shrimp)	Research issue; training also required							
Disease control (fish)	- ditto-							
Mollusc culture	C	--	C	--	C	--	N	N
Culture of seabass, seabream, other species	N	N	--	N	C	--	N	C
Offshore and bays cage culture techniques	N	--	--	N	C	--	N	C
Seaweed culture	N	--	C	N	--	--	N	N
Mollusc culture	N		C				N	N
Mullet culture	N	C						

3. Advisory

Brackishwater & marine species	Capacities and Needs (C/N)							
	Bgd	Egy	Ins	Ira	Mal	Nig	Pak	Tur
Environmental impact assessment	N	N	N	N	N	N	N	N
Conflict resolution	N	N	N		N	N	N	N
Culture in non-mangrove areas	--	--	N	C	--	--	--	--
Seaweed culture	N	--	C	N	--	--	N	--
Feed formulation & manufacture	N	C	N	N	C	N	N	C
Marine shrimp hatchery, culture	N	N	C	C	C	N	N	C
Site selection and development	C	N	N	C	C	--	N	C
Offshore and bays cage culture techniques	--	--	--	N	C	--	N	C
Floating cage in deep water	--	N	--	N	--	--	--	N
Artemia (culture, harvest, processing)	--	N	--	C	--	--	N	N
Mullet culture	N	C						

4. Joint venture, facilities, equipment, supplies

Brackishwater and marine species	Capacities and Needs (C/N)							
	Bgd	Egy	Ins	Ira	Mal	Nig	Pak	Tur
Feed manufacture establishment	N	--	--	C	N	--	N	(C)
Aquaculture projects (marine aquaculture, shrimp culture)		N		C				
Shrimp hatcheries	N	--		C	C	--	N	N
Shrimp processing facilities	N	N		C	N	N	--	N

5. Post production, Marketing, Trade

Brackishwater and marine species	Capacities and Needs (C/N)							
	Bgd	Egy	Ins	Ira	Mal	Nig	Pak	Tur
Shrimp processing	N			C				C
Post harvest handling of shrimp	N	N		C	C			N
Post harvest handling, preservation of fish and shrimp	N	N		C			N	C
Quality control (HACCP)	N	N	N	N	N		N	C

**Second Session
of the
Working Group on Industry**

Ankara, Turkey

24-25 February 1998

MINUTES of MEETING

Date : 24-25 February 1998
Place : Ankara / TURKEY
Subject : Second Session of the Working Group on Industry
Project : Agricultural Aircraft

The 2nd meeting of the Working Group on Industry regarding cooperation on Agricultural Aircraft project amongst the D-8 countries was held in Ankara during 24-25 February 1998. The list of participants is enclosed as Attachment A Nigerian delegation did not participate in the meeting.

The participants adopted the agenda of the meeting as attached herewith (as Attachment B).

The meeting started with the opening speech of Deputy Undersecretary of Turkish Defense Industries (SSM) Prof. Dr Hasan Kazdagli and a message by the Executive Secretary of D-8 Countries delivered by Prof. Dr. Baran Tuncer, advisor to the D-8 Executive Secretary. After the opening speeches, a brief presentation of TAI and its current status of the agricultural aircraft project was presented to the delegates.

The delegates of Egypt, Malaysia, Iran, Pakistan and Turkey presented briefly, their views about potential agricultural aircraft market in their country and existing industrial capabilities, and indicated that they are ready to participate in this project.

a. Egypt :

The Egyptian delegate proposed the inclusion of D-8 industries in production phase and indicated that they are ready to cooperate in this project and the technical capabilities are available to share in tooling manufacture, detail parts fabrication, subassembly and final assemblies and testing.

b. Malaysia :

Malaysia is ready to cooperate in the project and share their experiences and resources to this end.

c. Iran:

Iranian delegates indicated that there are;

- Currently 70 aircraft operating in their country some being out of service
- Future requirement is more than 100 aircraft (estimated)
- Ready to cooperate in agricultural aircraft project

- They presented their agricultural aircraft concept (Engine type selection is subject to further study)
- Ready to cooperate in agricultural project from the design stage to the production phase.
- They stated that 400 hp will not be sufficient, the min. should be 600 hp.
- Data from previous experiences were supplied.
- There is a need to take into consideration of two seater aircraft, multipurpose usage of the aircraft such as forest patrol, rescue and fire fighting and opinions of the end users

d. Pakistan :

The Pakistani delegates indicated that ;

- They are ready to cooperate in this project.
- The technical facilities are available at PAC which could be utilized
- Proposed extent of Pakistani participation

e. Turkey :

Turkish delegates presented an agricultural aircraft design, development project with the following highlights :

- Detailed design studies started on Feb 16, 1998
- First flight of the prototype expected in a year
- Explained the design criteria : max 1500lt hopper capacity and single piston engine with two alternatives (400 hp / 600 hp for 1000lt/1500lt)
- Market potential of Turkey :
 - . current : operating 118 a/c with an average age of 20 years
 - . future. : 300 a/c estimated (including 100 a/c for replacement)

f. Bangladesh and Indonesia

These two countries were represented by the members of their Embassies in Ankara and not by experts from their respective Capitals. They noted the technical presentations given by experts of other countries and recommendations of the meeting and agreed to forward these to concerned authorities in their respective Capitals and request for their views as soon as possible for onward transmission to the D-8 Secretariat.

g. The presentations given by Pakistan, Egypt, Iran and Turkey (handed over during the meeting) are enclosed as Attachment C.

In summary ;

Based on the discussions and evaluations held within two days, the meeting agreed on the following issues:

1. The main objective of the project is to establish a cooperation base among the D-8 countries for a new generation, worldwide competitive agricultural aircraft, not only for

the current and future needs of the D-8 countries, but for other potential customers as well. The parties agreed to structure the most cost effective project.

2. This agricultural aircraft project will be the first step for developing the economical and industrial cooperation amongst the D-8 countries.
3. The market potential of each individual country should be clarified in the shortest possible time. Responses to Configuration Requirements Questionnaire from Egypt, Indonesia and Turkey were received. The responses from Bangladesh, Pakistan, Malaysia, Iran and Nigeria are expected by 31 March 98 and will be communicated to:

Ms. Pinar Ozerman
Marketing Manager

Turkish Aerospace Industries
PO Box 18, 06692 Kavaklıdere-Ankara / TURKEY

Tel: 90.312 811 1800 / 4468 Fax: 90.312 811 1425

4. A Study Group with the participation of the representatives (1 or 2) of each country will be formed. A permanent Point of Contact from each country will be the member of the Study Group.
5. The Study Group will hold the first meeting within the first two weeks of May 1998 in Ankara and continue meeting quarterly.
6. TAI will issue the working principles of the Study Group within 1 month after the first meeting to the member countries for their consideration.
7. Agricultural aircraft design concept, Turkish market, initial technical specifications of the aircraft and estimated project cost and schedule were presented by TAI and welcomed by representatives of the countries. Each country was requested to review the initial technical specifications and respond with their additional comments and/or concurrence. (Due date : 31 March 1998)

Attention to : Mr. Haydar Satirtav
Design and Development Department Manager

Turkish Aerospace Industries
PO Box 18, 06692 Kavaklıdere-Ankara / TURKEY

Tel : 90.312 811 18 00 / 4440 Fax : 90.312.811 14 25

8. The Partnership Concept of the project (provided in Attachment D) under the leadership of Turkey through TAI was welcomed by participating experts
9. In the development phase, the interested country will participate in the design reviews as observer and will provide their inputs to be reviewed by Study Group.
10. During the manufacturing and after sales support phase of the project, worksharing will be determined according to the capability, quality, and competitiveness criteria .
11. All participating countries have expressed and extended their appreciation for Turkey's hospitality that they exposed and well organized meeting.

**International Seminar
on
Takaful (Islamic Insurance)**

Kualalumpur, Malaysia

30 March – 1 April 1998

**REPORT ON THE
INTERNATIONAL SEMINAR ON TAKAFUL (ISLAMIC INSURANCE)
PAN PACIFIC HOTEL, KUALA LUMPUR
30 MARCH - 1 APRIL 1998**

Introduction

- The International Seminar on Takaful was organised by The Bank Islam Research & Training Sdn. Bhd. (BIRT) in collaboration with Bank Negara Malaysia (the Central Bank of Malaysia) and sponsored by the Government of Malaysia.

Objectives of Seminar

- To appreciate takaful business and to share the experience on the implementation of takaful worldwide
- Introduce the strategic implementation of takaful business
- To develop takaful to be an important component in the growth and stability of the economic system
- To find solution to Syariah, legal and other issues towards strengthening the implementation of takaful
- To highlight strategic management of takaful business
- To develop takaful as an important supporting element in the growth and stability of the economic system

Seminar Participants

- The International Seminar on Takaful (Islamic Insurance) was attended by 38 participants from 12 OIC countries (including Malaysia), the Asean Takaful Group, and Singapore. The Government of Malaysia sponsored 18 participants from the OIC countries while the others were self-sponsored. Detailed list of

participants is given in Appendix I. The participants were mostly of middle and senior management level officials in their respective organisations.

Opening Ceremony

- The seminar was officiated by the Parliamentary Secretary of the Ministry of Finance Malaysia, Y.B. Dato' Dr. Hj. Shafie Mohd Salleh with welcoming remarks by Encik Mohamed Daud bin Hj. Dol Moin, Assistant Governor of Bank Negara Malaysia. Approximately 60 guests including seminar participants and members of the press attended the opening ceremony.

Topics Covered

- As scheduled, 11 papers were presented over the three-day period, culminating with a prime forum with experts in different fields as the panelists. All eminent speakers contributed to the success of the seminar by sharing their experiences and giving an authoritative insight into the various aspects of takaful operations and the concept and principles underlying the takaful business. The seminar program is attached as Appendix II.

Closing Ceremony

Y. Bhg. Dato' Ahmad Tajuddin Abdul Rahman, the Managing Director of Bank Islam Malaysia Berhad, delivered the closing address. At the end of the seminar, each participant was given a certificate of attendance.

Feedback and Recommendations

- Most participants expressed that the seminar should be an annual affair to bolster and enhance co-operation and coordination in various disciplines of takaful

business. This was also supported by the general remarks' column in the questionnaire which was completed by participants.

- Generally, from the feedback received from the seminar participants and speakers, the seminar was well received, rewarding and met its objectives.
- Participants expressed interest on the topics covered especially in ensuring that takaful operations are in line with Syariah requirements at all times.
- Participants expressed interest and enquired on the possibility of setting up joint-venture takaful operations in their own countries with Malaysian takaful operators.

Bank Negara Malaysia
18 April 1998

wre/sa/tys
report-takaful seminar/72/98

**Workshop
on
Poverty Alleviation**

Jakarta, Indonesia

16-19 June 1998

**REPORT OF THE WORKSHOP ON POVERTY ALLEVIATION
THE DEVELOPING - 8 COUNTRIES (D-8)
JAKARTA, 16 - 19 JUNE 1998**

INTRODUCTION

1. In accordance with a decision taken at the First Summit of the D-8 in Istanbul in June 1997, the Government of Indonesia convened a Workshop on Poverty Alleviation in Jakarta on 16 to 19 June 1998. Experts and officials from Developing-8 countries: Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan, and Turkey participated in the Workshop. The Workshop was chaired by Mr. Pudjo Rahardjo, Vice Chairman of the Indonesian National Family Planning Board. A list of participants appears as Annex A.

2. The participants of the D-8 Workshop on Poverty Alleviation paid courtesy call to His Excellency President Prof. Dr. Ing. B.J. Habibie on 17 June 1998. The President welcomed all the participants to Indonesia on the occasion of the Workshop. In his statement the President pointed out that D-8 creates synergy to transform renewable human resources to an economic potential based on common religious, cultural, social and concern. The establishment of D-8 was meant to transform potential social threat into potential economic power. In the process a nation should be able to learn from and listen to other nations' experience. This was another reason of the founding of D-8. The President also noted that this Workshop was one of the results of D-8 member countries' activities in cultivating cooperation to create centre of excellence for achieving human welfare.

3. The President is of the view that human resources development is a complex and demanding reform initiative which needs a legal framework and managerial set-up that would ensure speed, transparent and consistency in implementation. The President, furthermore, stressed the necessity to exert all efforts to educate the public about the benefit of human resources development to ensure the process and to gain public support for it. Human resources could depreciate or enjoy appreciation depending upon the capabilities of the human being, and thus in order to get appreciation human being has to create new thoughts and transform it into reality through systematic education.

4. At the opening session, H.E. Ambassador Nana S. Sutresna, Indonesian Commissioner to the D-8, addressed the Workshop followed by a keynote speech given by H.E. Prof. Dr. Haryono Suyono, State Coordinating Minister for Peoples Welfare and Poverty Alleviation of the Republic of Indonesia.

5. In his opening remark, the Chairman underscored that the objectives of the Workshop are to share and exchange of experiences on poverty alleviation programme among D-8 member countries, and to discuss current development and relevant policies issues as well as various problems faced in their respective programmes.

6. Ambassador Sutresna in his welcoming remark stated that D-8 co-operation encompasses a vast areas of co-operation such as trade, industry, science and technology, finance, human resources development, agricultural development. He underlined that the attendance of experts from all D-8 member countries in the Workshop provides a clear evidence of their strong commitment to the ideals and objectives of the D-8. He said that the theme of the Workshop: Poverty Alleviation as a National Movement and Community Responsibility, describes a clear concept that poverty alleviation is not the sole responsibility of the Government, but also becomes a common goal of the community as a whole. He went on to point that the Workshop provides a good opportunity for the participants to share and discuss their respective national programme on poverty alleviation, and subsequently to formulate and recommend a possible D-8 plan of action on the subject for submission to the Second Summit in Dhaka in November 1998 as a contribution of the Workshop in fostering cooperation among D-8 countries. The full text of Ambassador Sutresna's statement appears in **Annex B**.

7. In a very comprehensive statement, the State Coordinating Minister for People's Welfare and Poverty Alleviation provided the Workshop with a fully elaborate account on the Indonesian poverty alleviation programme from the historical and geographical perspectives to strategic approaches that the Government of Indonesia and its community have adopted to alleviate poverty in the last 30 years of national development. The Minister pointed out that in order to obtain the desired impact in the efforts to alleviate poverty, one should be firm on whom to direct the actions to, and what actions are needed by the poor. In this regard, the timely and accurate baseline data are extremely important to which the actions will be based on. He illustrated that every year the Government of Indonesia conducts family registration whereby all families throughout the country are visited and requested to answer to questions pertaining their welfare conditions thereby they are grouped into five welfare categories, such as pre-prosperous families, prosperity stage 1, stage 2,

stage 3 and stage 3 plus.

8. The Minister elaborated further that in order to guarantee optimum result in poverty alleviation programme, the Government has outlined 6 (six) point of strategies applied at all administrative levels, that include the fostering and augmenting productive behaviour; empowerment and welfare development of families through group formation; the development and strengthening of community and group facilitators; strengthening community participation; increasing development activities at the least-developed areas; and strengthening coordination and sector interdependence.

9. The Minister informed participants of some of the existing poverty alleviation scheme in Indonesia such as *Takesra* and *Kukesra* (prosperous family saving and the prosperous family productive credits); *Inpres Desa Tertinggal* (Presidential Instruction for the least-developed villages); *Kuliah Kerja Usaha* (universities students community service in entrepreneurial skills); and *Kredit Pengembangan Kemitraan Usaha* (credit to foster partnership between the under- privilege groups and small and medium industries cooperatives). The full text of Minister Haryono's statement appears as Annex C.

10. Field visit was undertaken on June 18, 1998 to observe closely two project sites of poverty alleviation programme, that are the POKMAS (Self-Help Groups) involved in Kampong Improvement Programme in Pulogadung, East Jakarta, and the IDT Programme (Presidential Instruction for the Less Developed Villages) in Citeureup, Bogor. The participants expressed their satisfaction on the excellent arrangement of the field trips. They obtained sufficient inputs on the management and administration of the poverty alleviation programme implemented by the government in partnership with the NGO as facilitator as well as the local community as the beneficiary or the target group of the programme. They were of the view that the visits are beneficial particularly for comparative purposes on the implementation of poverty alleviation programmes in their respective countries.

DISCUSSION

Session I: Conceptual Framework, Policy Issues, Strategy and Key Issues on Poverty Alleviation

Session II: Successful Practices in Poverty Alleviation

11. For discussions on conceptual framework, policies, issues, strategy and key issues, the Chairman called on all experts of each participating country to make a brief presentation of their national policy and experience on poverty alleviation programme. Concise, yet comprehensive, presentations were made by all participants, some of which were based on papers circulated prior to and at the Workshop. A full set of papers presented at the Workshop appears under **Annex D**

12. To lead the discussion on Session I, the Chairman invited Prof. Mubyarto of Indonesia to present his paper. He gave an overview of the Indonesian policies and experiences in poverty alleviation programme. He noted the importance of technological proficiency of the people as people with better technological proficiency have better chances to rise faster in socio-economic position and thus, to be able to control even more resources. He said that low education, poor health and low productivity all lead to low income, which in turn make those poor people unable to invest in better education and training for their families. He went on to point out that if families are better educated, they could organize themselves better and improve their participation in development. He explained that in addition to the various government-initiated poverty alleviation programmes, the people themselves have taken initiatives to help the poor improve their situation. A large number of non-governmental organizations have also actively participated and contributed to these efforts, both in concepts and in the implementation.

13. He explained that Indonesia's poverty alleviation approach is built on a balanced optimism of poor people's own ability to extricate themselves from poverty, where the rich can be and are expected to create mechanism to channel their solidarity to the poor. This empowers both the poor and the rich. He elaborated further that people empowerment policies can be divided into three main categories, namely indirect policies, direct policies, and specific policies. He said that indirect policies do not directly target the poor, but they help create a conducive atmosphere for poverty alleviation such as policies for promoting national economic stability and to control population growth. Direct policies select specific communities categorized as poor to promote their access to productive assets such as land, capital, and infrastructure, for increasing their productivity and income. He pointed out that

specific policies are those specifically launched to alleviate poverty, where the whole process started from planning and implementation of such programme is directed to the poor, and that the name of the programme itself clearly indicates that purpose. These specific programmes target the poorest layer of communities, to enable them to extricate themselves from the trap of poverty. He explained that among these programmes are *Programme for the Least-Developed Villages or Inpres Desa Tertinggal - IDT*; *The Social Welfare Programme or Program Kesejahteraan Sosial - Prokesos*; and *The Family Welfare Programme - Program Keluarga Sejahtera - PKS*. In the last part of his presentation, Prof. Mubyarto gave a detailed elaboration of those programmes..

14. Under Session II, Mr. Bambang Ismawan, Director of Bina Swadaya, an Indonesian NGO, made a presentation to lead the discussion. He stated that there are three important actors in the National Movement of Poverty Alleviation: the Government, the Community and the Business Sector. He outlined that the government is responsible to create a conducive atmosphere and to encourage the community and the business people to work hand in hand in the poverty alleviation programme, while the community, especially the NGOs, is responsible for the preparation of more qualified facilitators who will guide the poor and to link them to public and private sectors. The business sectors, especially banks, have a significant role to promote the awareness and the readiness of business people to support the poor.

15. He noted that unqualified human resources is the main cause for unfavorable condition of people, particularly those living in rural areas, such as low income and productivity; limited access to resources; and the marginal role in national development. He therefore suggested that in alleviating the rural community from poverty and backwardness, we have to root-out all those unfavorable conditions and creating a better one by way of strengthening and enhancing human resources development. In this context, he underlined the important role of facilitators in the community development so as to make various groups of people in the community, particularly those in rural areas, to become a more self-help and self-reliant group. He noted further that in order for the self-help group achieves effectively their goals, they should observe several guidelines such as income generation orientation, open-minded attitude, and democratic and participative practices. The speaker added that other important instrument in poverty alleviation programme is the micro credit scheme. He pointed out that such scheme is a common practices in many developing countries in their endeavour to support development of poor people's economy. The text of Mr. Ismawan's presentation is in Annex E.

16. In the light of the presentations given by the lead speakers, the Chairman identified 4 (four) issues that could be used as a basis for discussion under the topics, these are: target groups, facilitators, organizational arrangements and the role of NGOs in poverty alleviation programme. On the question of target groups, the discussion was focused on several issues i.e. the poorest of the poor, disabled people, the aged, women and children as they are considered the most vulnerable groups. Participants were of the view that these groups should be given priority attention in the poverty alleviation programme

17. The participants noted that there are several approaches in the efforts to alleviate poverty, that are the integration of different sectors through the self-help group, food security, participatory and voluntary approaches. They agreed that the most challenging task is how to generate the participation of the poorest of the poor in development activities and to initiate the link with NGOs in mobilizing them and in improving their capacity to organize themselves. In this regard, they recognized the importance to identify the poorest of the poor in living villages as the target group for poverty alleviation programmes.

18. The majority of participants recognized the central role of education in poverty alleviation. They suggested that to increase the living standard of the poor, the government should start with programme to eradicate illiteracy, followed by policy on reproductive health, participation in decision making process, micro credit scheme and finally access to resources. Several participants mentioned the role of religious-based educational institution as an important aspect of education in rural areas, to help increase people awareness of the people in poverty alleviation programme. In this light, the promotion of education for rural women is the most pressing need to elevate the role of women in family and community. Suggestion were made on nutritional education and the extension of working method as well as vocational training for rural women. Rural women organization dedicated to the empowerment of women both in family and also in social affairs, also proved to be effective.

19. As far as the issue of facilitators is concerned, many participants who underlined the important role of university students, religious as well as volunteer groups for the successful implementation of poverty alleviation programme. Some participants highlighted the policies of their respective governments to involve students and local religious experts in the designing and the implementation of poverty alleviation programme as well as their significant roles in creating and improving more self-help groups of the poor.

Furthermore, the Workshop noted that effective facilitating mechanism needs to be supported by professional practitioners.

20. The Workshop recognized that the success of poverty alleviation programme can be accelerated by the presence of facilitators. The meeting also noted that there are at least 5 basic activities of facilitators in developing a self-help group such as motivation building and human resources development through training activities; improving self-help/community-based group organization; developing self-help/community-based group business by conducting feasibility study, market research, etc; capital formation by encouraging savings and utilizing micro credit facilities; and continually channeling useful information.

21. On the role of NGO, the Workshop recognized the significant role of NGO in eradicating poverty. The Workshop pointed out that there are three types of NGOs, they are government-oriented NGO, NGO without government support, and community based organization which is voluntary in nature. NGOs are flexible and open organizations which prove to be effective media in facilitating activities of the government in the area of poverty alleviation through training, providing information, promoting entrepreneurship, as well as monitoring and evaluation. The Workshop also viewed that the flexibility of NGO is very important in reaching to the grassroot level that partnership between the government and NGO will be increasingly advocated upon in the future.

22. Some of the participants highlighted the role of NGOs in their respective countries. They noted that NGOs conduct their programmes by working in their own capacity, especially in information system network and by cooperating with governments in programmes such as to support organizations involved in poverty alleviation programme. One participant elaborated on the role of NGO that is mandated to attract benevolent motive and participation of community and to provide and expand social services to the needy, with focus on strengthening the foundation of family as well as promoting the living standard. The experience of some participants revealed the necessity for the NGOs and the Government to cooperate based on the principle of economic efficiency and social welfare.

23. As regard to the issue of organizational arrangement in poverty alleviation, the Workshop noted three types of arrangements in poverty alleviation programme, that are permanent arrangement covering institutionalization and internalization, ad-hoc arrangements such as food aid to disaster-stricken area and inputs – weed, seed, plants, for making them productive, or food for work

programme, and technical meeting of education within the purview of poverty alleviation. Several interesting practices and experiences have been highlighted by participants based on existing practices in their countries.

24. The participants elaborated upon the organizational arrangements to design and implement the poverty alleviation programmes in their respective countries. They explained several organizations involved in the efforts of poverty alleviation programme, most notably the governmental institutions and those organizations dealing with rural development. Some participants mentioned income generating activities and creating of job opportunities through the establishment of cooperatives and small and medium enterprises programme, as well as through public works and suitable compensation packages for laid-off public workers in the efforts to provide durable and sustainable solution to the poverty alleviation.

25. Many participants recognized the important role of micro credit scheme through the banking system and rural management institution programme. Micro credit is believed to be the right instrument for the development of poor people's economy. It has paved the way towards capital formation at the village level. They therefore saw the importance of developing micro credit scheme as a strategic national movement in poverty alleviation.

26. Despite general poverty alleviation policy, country specific measures were also mentioned by participants in the process of exchange of experience. In this regard, several countries implement land resettlement scheme, modernization of agricultural sector, and vocational training programme for the hardcore poor to improve the quality of life. They further explained the policy of integrated rural development and the importance of the capacity-building of the organization of the poor to eradicate poverty.

Session III : Identification of Programme in Each Member Countries for Possible Participation by Other Member Countries

27. The participants elaborated on the existing programmes in the D-8 member countries and recognized that there are common similarity from each programmes of poverty alleviation implemented in these countries, such as the important role of education, women, micro credit scheme, and community development in poverty alleviation. Detail on programme of each country as illustrated in their country papers is annexed to this Report. They further expressed their hope that there will be exchange of information on poverty

alleviation programmes of the D-8 member countries with a view to strengthening the cooperation among those countries in alleviating poverty in areas of prominence.

Session IV : Plan of Action for Cooperation among D-8 Member Countries on Poverty Alleviation

28. Having considered presentations and extensive deliberations by all participating experts, the Workshop agreed to recommend to the Second Summit to be held on 28-29 November 1998 in Dhaka, Bangladesh, of the following Plan of Action:

(1) Exchange of Experts

The main thrust of the expert exchange program is to give opportunities for competent experts of a developing country to do their professional consultancy services in other developing countries.

Through an exchange of experts at least three benefits can be attained, i.e.: (a) concrete cooperation in developing appropriate alternatives to address common critical needs and problems of D-8 member countries; (b) international recognition for the experts' capacities that may lead to higher leverage of the experts for wider professional competition; and (c) having opportunities to gather and update inputs for further programme formulation, such as: appropriate training, seminar, workshop and other networking arrangements.

(2) Training and Apprenticeship

The concrete benefit to be attained from the training and apprenticeship programme is to open opportunity to transfer any successful experiences and know-how from country to country while at the same time promoting and strengthening the relationships between D-8 member countries involved in this programme. The training activities and apprenticeship will focus on successful programmes on Poverty Alleviation and are expected to enable the participants to:

- assess the key elements of poverty alleviation in specific areas;
- explore and analyze specific case studies in order to attain

- comprehensive understanding;
- develop alternatives to address similar situations within the context of their own countries; and
- function as a facilitator or development catalyst.

(3) Research

Research activities will be based on their urgency, specific scope, and level of competence and relevance. The research implementation can be done either by a single institution/country or collaborative countries. In general there are two levels of research activities, i.e.:

- a. Policy Studies on Specific Themes
- b. Empirical Studies on Development Projects that have the potential to be developed in Poverty Alleviation Program.

(4) Workshops, Seminars, Symposia and Meetings

These activities may take the form of different types of workshops and seminars, such as: expert group meetings, international round-table discussions and joint meetings of experts and decision-makers. These activities are expected to derive the following benefits:

- sharing of experiences and information;
- developing models of appropriate development schemes and replicable patterns in addressing critical needs and problems;
- pooling of resources and expertise which will then lead to facilitation of drawing-up concrete and effective programmes;
- developing and facilitating an appropriate support system;

(5) Documentation and Relevant Information Database

It is evident that in many cases developing countries may not be fully aware of the development capacities of other developing countries. This is due mostly to the lack of documentation and dissemination of information which in turn leads to the lack of cooperation among the developing countries. Therefore, it is essential to encourage activities in documenting successful cases in D-8 member countries that can be shared with others. A Database on expertise and cases could be utilized to

support relevant programme of activities through development of appropriate information system.

(6) Network Arrangement and Technical Information Sharing

It is essential to nominate a national focal point and clear mechanism for effective communication. Such communication has a significant role in handling both individual and joint efforts within the framework of partnership among countries.

A network arrangement to interlink national focal points plays an important role in sharing views and ideas, and in exchanging experiences and technical information, by utilizing available database on various aspects of community-based development efforts.

(7) Campaign for Enhancing Public Awareness on Poverty Alleviation

The Campaign is a significant element in increasing awareness on the understanding of the basic causes of poverty and its ramification. It will be based on training and publication with a view to disseminating information on the importance of rural development and poverty alleviation programmes in the nation's development and enhancing the contribution of private sector, business community, and civil society to the programmes.

The target of the campaign is addressed to policy makers, private sector, community leaders and the mass media. The campaign can be conducted through :

- a. publication on poverty alleviation
- b. exchange of programmes on rural development and poverty alleviation for community development workers among D-8 member countries
- c. exchange of programmes for the mass media
- d. training, seminars and workshop to share experiences exchange of information on best practices.

(8) Funding Arrangement

The primary responsibility for implementing poverty alleviation program lies with the D-8 member countries and for that purposes various modalities of

cooperation has been applied. However, adhering to the basic premise that as the needs for resources are ever increasing, and that resources given to poverty alleviation should not plateau nor decreased, greater support from various sources including the idea of triangular funding arrangement, by which the financial resources of international donor community could be used to acquire the appropriate technical resources of D-8 member country in order to meet the need of other members. At national level greater support and involvement of the private sector should also be explored.

(9) Impact Assessment and Evaluation

It is firmly believed that poverty alleviation programmes should be focused upon sound knowledge. It is further recognized that poverty alleviation programmes involve broad spectrum of disciplines to measure, analyze and to develop effective programme inputs in accordance with the condition prevailing at various levels. In this connection, there is a need to promote impact evaluation on policies and programme of poverty alleviation in order to ensure, inter alia, that they respond to the needs of community, the society at large in different socio-economic conditions, the family as well as to the needs of women and of the vulnerable.

RECOMMENDATIONS

- (1)** The Workshop pointed out the importance of the D-8 member countries to pledge their commitment and alignment toward integrated development of, for and by the people, since this has been considered as a pre-condition in promoting policies and programmes, at all level, in favor of the people.
- (2)** Full participation of people in development activities is strategic in bringing in successful implementation of poverty alleviation programme. In this regard, the Workshop recognized the need to focus priority attention to identifying specific target group to which the inputs for poverty alleviation assistance can be directed in order to achieving the desired impact. The target group includes the poorest of the poor, the disabled group, the aged, women and children.
- (3)** There is an increasing recognition of the need for partnership on poverty alleviation issues between government, non-governmental organizations, private sectors and local community organizations. Therefore, the Workshop

urgently called upon the policy makers of the D-8 member countries to promote and strengthen cooperation between the government, non-governmental organizations and the private sector.

- (4) The Workshop recommended the necessity for the D-8 member countries of providing the social safety net programmes by directing the fundamental services to the poorest of the poor to ensure a decent living. Minimum basic needs such as spiritual needs, food, clothing and access to health care should be fulfilled.
- (5) Micro credit scheme serves to provide banking facilities and services for the poor in supporting economic activities in rural areas. The Workshop called upon the D-8 member countries to develop micro credit service and, in partnership with small and medium enterprises and cooperatives, provide sustainable financial facilitation to the poor.
- (6) Various policies, programmes and studies are mainly devoted to finding ways and means to tackle the problems of poverty alleviation. However, in order to reduce effectively the number of poor people, unfavourable conditions of poverty should be rooted out and prevention measures to tackle the potentials of poverty should be encouraged inter alia through education, ensuring the access of resources and facilities, and enhancing partnership at the national level between the Government, NGO and Private Sector.
- (7) Having reviewed the principal issues which need to be considered such as; the availability of resources, development of more comprehensive strategies, and various programmes that need to be completed, the workshop highlighted the need to mobilize all the necessary development resources and potentials.

CLOSING SESSION

29. The participants adopted the Report of the Workshop of the D-8 on Poverty Alleviation which was held in 16-19 June 1998 in Jakarta, Indonesia.

30. The participants placed on record their deep appreciation to the Indonesian Government for organizing the Workshop in a highly professional and competent manner and for the warm hospitality extended to them.

31. The Chairman closed the Workshop on Friday, 19 June 1998. He addressed those present and commended all participants for their contribution to making it a success. He emphasized the importance of the recommended Plan of Action and proposed to the participants that they discuss them with their respective authorities for further action.

**Workshop on Establishment of Industrial
and
Technological Data Bank Network**

Tehran, I.R. of Iran

10-12 August 1998

In the Name of Allah

Report of the Meeting of the D-8 Workshop on "Establishment of Industrial & Technological Data Bank Network" Tehran - August 10-12, 1998

INTRODUCTION

1- In accordance with the decision taken at the First Summit of the D-8 in Istanbul in June 1997, and following the first working group meeting of the D-8 on Telecommunication & Information and Science & Technology, the Government of the Islamic Republic of Iran convened a Workshop on "Establishment of Industrial & Technological Data Bank Network " in Tehran on August 10-12, 1998. Experts and officials from member countries, i.e., Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey attended the Workshop. The representatives of international and regional organisations including COMSTECH, ESCAP, ITU, COMSATS were invited and participated. The list of participants is in Annex 1.

2- The first day of the Workshop started its function with the message of H.E. Dr. Mostafa Moeen, Honorable Minister of Culture & Higher Education. Stressing the importance of D-8 ITDB Network, the Minister proposed the following recommendations for the opening of discussions:

- ITDB Network can definitely play a major role in harmonization and standardization of economic, scientific, technological and marketing information as well as the requirements of the member countries.

- Emphasis should be placed on the development of data banks in scientific and industrial fields in each country and the necessity to establish a suitable ground for exchange of information in the above fields.

- Employing the latest technological breakthrough through establishment of network link is necessary.

- Transfer of experiences as well as industrial and scientific information to promote and upgrade the culture of industrial development in all member countries are vital.

- Information should be exchanged for establishment of an industrial integrity and commercial pole in the economic markets of the world. Harmonized policies should be adopted at different scientific and industrial meetings.

- Industrial business among the member countries should be developed. Grounds should be paved to conclude the industrial and commercial contracts

among governmental and non-governmental centers and to implement the development projects.

- Facilities should be provided by the countries for transfer of information and communication technology in order to develop D-8 ITDB Network.

- Each country should pave the way for cooperation with other members in industrial and technological development.

The Minister concluded his message by saying that " since the authorities of the D-8 countries are fully aware of the importance of scientific, industrial, and technological cooperation for development of their nations, I hope your Workshop can open a new chapter in enhancement of cooperation and establishment of a scientific, industrial and economic grouping in this part of the world by establishment and expansion of an industrial and technological data bank network".

The Workshop continued with the opening remarks of H.E. Dr. Motamedi, Deputy Minister of Culture & Higher Education and Head of Iranian Research Organisation for Science & Technology(IROST), who chaired the Workshop. In his remarks, Dr. Motamedi stressed the importance of having data bank

network among the member countries for exchange of information especially information on industrial and technological fields for a sustainable development that could later be extended to serve all developing countries.

During the morning session of the first day, the Iranian delegates made two presentations based on the Proposal on the "Establishment of Industrial & Technological Data Bank Network". The proposal (Annex 2) had been sent to member countries well before the Workshop meets.

In the first presentation, entitled " Why do we need D-8 ITDB Network?" the Iranian delegate emphasised that a network can " facilitate cooperation, expand relations and improve understanding". He recommended that the network could be designed for gradual growth while employing the existing facilities, and to be expanded as the usage grows (Annex 3).

In the second presentation, reviewing the capabilities and Information Technology of member countries, the Iranian delegate presented the preliminary design of the D-8 ITDB Network and proposed data bases (Annex 4).

During the afternoon session of the day, floor was open to the delegates of other countries and representatives of international agencies for their comments. A constructive discussion and fruitful exchange of views overwhelmed the afternoon session.

3- During the second day, country papers were presented by the delegates from Bangladesh, Iran, Malaysia, Pakistan and Turkey. Participating representatives of COMSATS, ESCAP, ITU and COMSTECH also offered their recommendations on establishing D-8 ITDB Network and voiced their support by providing their available and existing means.

4- During the morning of the third day, the participants visited the Iran Telecommunication Research Center and the site of Large Capacity Terminal (LCT) of the Islamic Republic of Iran Telecommunication Compound. The participants expressed their satisfaction and appreciated the advancement of telecommunication technology in Iran.

CONCLUSIONS AND RECOMMENDATIONS

FOR FUTURE ACTION

The proposal for the Establishment of D-8 ITDB Network and supporting presentations delivered by the Iranian delegation cover all general aspects related to the establishment of such a network. However, since this is a complex undertaking, further details need to be worked out and agreed upon by the D-8 experts to facilitate the establishment of an optimum network.

In the final design of the Network the following recommendations need to be considered:

- The existing facilities should be utilized to the maximum possible extent to minimize the cost.*
- TCP/IP Protocols and Internet technologies should be considered as a realistic option for realization of the Network.*
- The experience of the OIC-Net, other regional and specialized networks should be utilized to the maximum possible extent.*
- The final detailed design should include organizational aspects such as management, regulations, procedural matters, security issues, accounting, human resources, etc.*

- *The needs of the potential users should be taken into account as a guide while designing the Network.*
- *The final detailed design should include a plan of action for a step-by-step implementation of the Network in different phases.*
- *Shortly after this Workshop, every participating country will nominate a national coordinator, who will act as focal points for all activities related to this project at the national level. A mailing list should be established as soon as possible to enable an effective exchange of communications among the national coordinators and other individuals involved in the activities of this project.*
- *Prior to the Second Summit of D-8, the expert team of the Islamic Republic of Iran shall propose a minimum configuration needed for the establishment of the ITDB Network together with an estimation of its costs, and present it to the D-8 Summit for their consideration and approval.*
- *A meeting of specialists should be held to discuss the technical aspects of the final design shortly after the Second Summit of D-8.*
- *The Participants in the workshop entrusted the Islamic Republic of Iran with the responsibility to continue the work that has already been started, and prepare a final detailed design along with the above recommendations. The Islamic Republic of Iran accepted this task and will perform it in consultation with the Focal Points.*

The participants expressed their thanks and appreciation to the Government of the Islamic Republic of Iran for the excellent arrangements and warm hospitality extended to them during their stay in Tehran.

**Sub-Working Group Meeting
on
AIDS Prevention and Control Program**

Ankara, Turkey

19-22 October 1998

REPORT OF D-8 SUB-WORKGROUP ON AIDS

19-22 October, 1998-Ankara

I. INTRODUCTION:

The meeting was attended by representatives of Egypt, Indonesia, Iran, Malaysia and Turkey. Also Bangladesh and Pakistan were represented by their embassies. There was no participation from Nigeria. Participants list is enclosed.

The meeting was chaired by Turkey and started by the opening remarks of Deputy General Director of Primary Health Care, Ministry of Health, Turkey.

After the presentation of country reports, it was concluded that HIV/AIDS presents an enormous health problem with many socio-economic implications. Considering the pattern of HIV/AIDS transmission, it varied slightly with heterosexual transmission emerging to be the most important mode of transmission in Egypt, Indonesia, Pakistan and Turkey. However in some countries such as Malaysia and Iran, drug addiction was a major social problem which was responsible for the spread of HIV infection within the country.

The religious implications among D-8 countries was also deliberated and the sensitivities of religion involving a multi sectorial participation should be respected in each different country accordingly.

II. RECOMMENDATIONS:

Surveillance; active or passive, sentinel or national should be considered as a helping strategy to plan further prevention activities and reporting must be confidential.

Strengthening the sentinel surveillance for defining the prevalences are emphasized in high risk groups specially in IDU's and STD clinic attenders. HIV screening should be accompanied by preventive values. HIV screening in blood/organ/tissue donors was in use in all D-8 countries. Additionally in most of the countries, migrant workers,

prisoners, antenatal screening, multiple transfusion patients, prostitutes, STD patients, tuberculosis patients, recruits were other mentioned groups to be screened.

The group agreed that control and prevention remains as the major instrument in the AIDS pandemic and it was highlighted that health promotion was the most important strategy where the D-8 countries need collaboration.

It was recommended to develop a methodology in health promotion for the defined target groups and selected models of some countries are as follows:

1. Youth:

Emphasis on peer group health promotion :Prostar programme “Healthy youth free from AIDS” adopted by Malaysia
Participating method: Youth Programme of Iran.

2. IDU:

Health promotion programme for IDU, by Iran.

3. Multisectorial approach:

National AIDS Committee activity plan, by Turkey.

4. Prostitutes and clients:

Condom promotion for commercial sex workers in red light locality, by Indonesia.

5. Religious approach:

HIV/AIDS control and prevention strategies from the religious view point, by Egypt and Turkey.

6. Counselling on Prevention by Iran.

III. ACTIVITIES:

1. Exchange of ideas and approaches on the methodology of health promotion against HIV/AIDS targeting various groups as discussed.

2. Fellowship trips to D-8 member countries to have a first hand briefing and exposure to existing methodologies in health promotion which are proven to be successful.

3. Assistance to D-8 member countries in implementation of the methodology of health promotion targeted different risk groups by providing consultancy.

4. Exchange of educational material on AIDS such as pamphlets, brochures, posters, booklets, etc. amongst the D-8 countries.

5. E-mail correspondence amongst D-8 countries on latest improvements about AIDS control experiences.

IV. Condoms should be made available for protected sex. D-8 countries should source condoms from countries that produce them and collaborate in a trade exchange.

V. Egypt delegation volunteered to host the next D-8 Meeting on AIDS.

VI. The participants expressed their appreciation to the government of Republic of Turkey for the warm hospitality and arranging this very fruitful meeting.