

A GLOBAL ECONOMIC GROUP MEETINGS BETWEEN 2004 - 2006 VOLUME II



MEETINGS
BETWEEN
THE FOURTH AND THE FIFTH SUMMITS

2004-2006

VOLUME II

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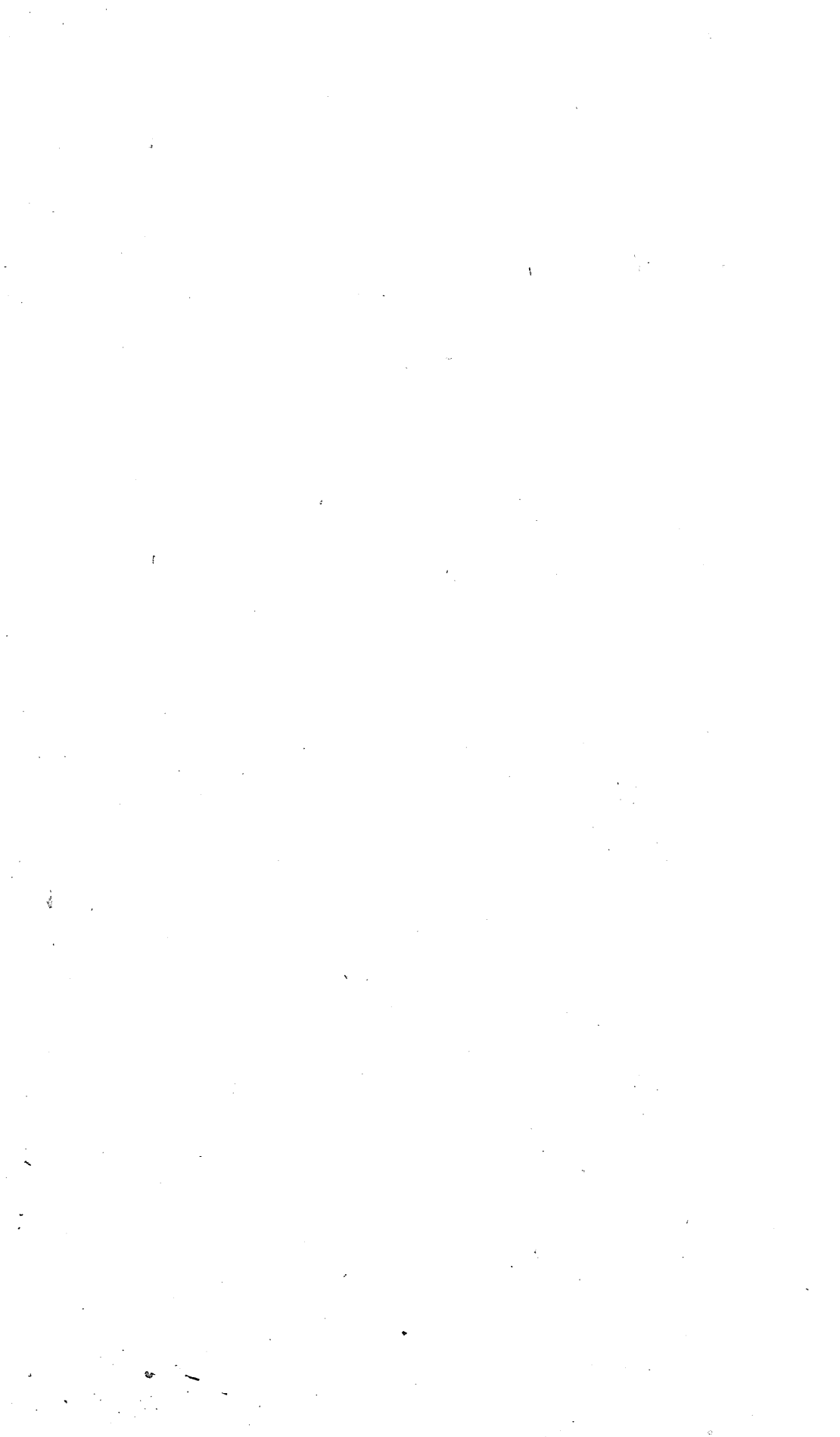
MEETINGS
BETWEEN
THE FOURTH AND THE FIFTH SUMMITS

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18

VOLUME II

OFFICE OF THE EXECUTIVE DIRECTOR
İstanbul, June 2006



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MEETINGS AT TECHNICAL LEVEL

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Report of the
Second Meeting of High Level Trade Officials

Islamabad, Pakistan

28-29 June 2004,

**SECOND MEETING OF D-8 HIGH LEVEL EXPERTS GROUP ON
TRADE AND TRADE RELATED MATTERS 28 – 29 JUNE 2004,
ISLAMABAD – PAKISTAN**

REPORT

1. In pursuance of the decisions of the Fourth D-8 Summit held in Tehran, the Government of Pakistan hosted the 2nd Meeting of D-8 High Level Experts Group on Trade and Trade related matters in Islamabad on 28-29 June, 2004. The delegations from all member states attended the meeting. A list of participants is placed at **Annex-I**.

2. The D-8 Commissioner for Pakistan, Mr. Tariq Osman Haider, Additional Secretary, Ministry of Foreign Affairs of Pakistan delivered the inaugural address. While welcoming the delegates, he underscored the importance of trade and economic cohesion among the member countries of D-8. The text of address is at **Annex-II**.

3. Ambassador, Ayhan Kamel, Executive Director D-8, in his opening statement, expressed the hope and keen desire for early finalization of the draft Preferential Trading Arrangement among the D-8 countries. The text of the address is at **Annex-III**.

4. The Agenda adopted by the meeting is at **Annex-IV**.

5. Mr. Shahid Bashir, Joint Secretary, Ministry of Commerce, Government of Pakistan and the leader of the delegation from Pakistan was unanimously elected the chairman of the meeting.

6. A Sub-Group of the Custom Experts was constituted to deliberate on the draft “Multilateral Agreement on Administrative Assistance on Custom Matters”. Although the Custom Experts were not part of the delegations of all the member countries, it was unanimously agreed that the draft Agreement would be discussed on the sidelines and the report submitted by the Sub-Group would be considered for adoption by the plenary. The report was placed before the meeting on 29th June, 2004 which was adopted. The text of the report is at **Annex-V**.

7. The draft “Preferential Trade Agreement among D-8 countries” was considered by the delegates on 28th and 29th June, 2004. Formulations in the Preamble, Articles 1 and 2 of Chapter-I of the draft Agreement were discussed. All the changes made in the provisions of the Agreement were adopted with consensus. Revised draft Agreement is at **Annex-VI**.

8. The scope of the proposed Agreement was discussed in the plenary on 29th June, 2004 and the following views were expressed :-

- i) The scope of the Agreement may include goods as well as services.
- ii) Principle of Negative/Sensitive lists may be adopted to negotiate tariff concessions as against the principle of positive list.

9. There was no consensus on the inclusion of trade in services in the Agreement, and accordingly the proposed Agreement shall only cover trade in goods for the present negotiations.

10. It was agreed by consensus that each delegation would consult respective governments on the modality of coverage of goods in the proposed Agreement; whether to adopt Negative/Sensitive List or to follow Positive list approach. Besides, the phases of reduction of tariff need to be clearly identified in consultation with stakeholders by all the Member Countries. It was decided to discuss this aspect in the next meeting.

11. Regarding the convening of Third HLEG Meeting, it was decided that the matter will be considered at the forthcoming Session of the D-8 Commission in Tehran. However, Indonesia offered to host the meeting during 2005.

12. The leader of delegation of Arab Republic of Egypt offered vote of thanks.

**Report of the
Third Meeting of High Level Trade Officials**

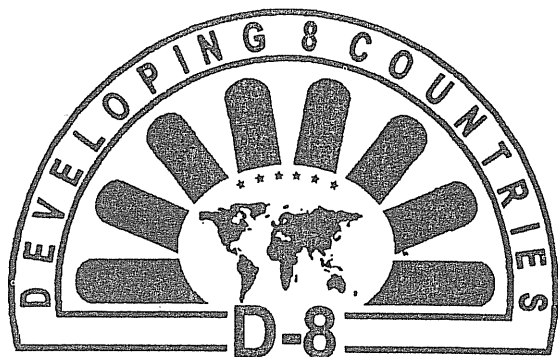
Jakarta, Indonesia

9-11 October 2004,

**Report of the Third Meeting
of High Level Trade Officials of the Developing Eight (D-8)
Jakarta, 9-11 October 2004**

1. The Government of the Republic of Indonesia hosted the 3rd Meeting of High Level Trade Officials of the Developing Eight in Jakarta on 9-11 October 2004. The delegations from all member states attended the meeting. The list of participants is attached as **Annex I**.
2. The Deputy Minister of Industry and Trade of the Republic of Indonesia, Mr. Pos M. Hutabarat formally opened the meeting. In his opening remarks, he highlighted the importance of concluding the Preferential Trade Agreement and Multilateral Agreement on Customs Cooperation among D-8 member countries to increase the volume of intra trade, as well as the need to enhance D-8 coordination and solidarity to strengthen D-8 advocacy in global economic issues. The text of his remarks is attached as **Annex II**.
3. The Agenda adopted by the meeting is attached as **Annex III**.
4. Ambassador Ayhan Kamel, Executive Director of D-8 was unable to attend the meeting. However, he sent his written message which was then read out in then meeting by Ms. Linggawaty Hakim, Director for Non UN Cooperation on Economic, Financial and Development affairs of the Department of Foreign Affairs of the Republic of Indonesia. In his written message, he highlighted that the development of intra trade is a subject of priority in D-8 cooperation and that the Council of Minister and Commissioner of D-8 were highly appreciate the work of the High Level Trade Officials . The text of the address is attached as **Annex IV**.
5. Two working groups were set up to consider the draft Preferential Trade Agreement and the draft Multilateral Agreement on Mutual Administrative Assistance on Customs Matters.
6. The Working Group on Preferential Trade Agreement was chaired by Mr. Djunari I Waskito of Republic of Indonesia and co-chaired by Mr. Mostafa Sarmadi of Islamic Republic of Iran. It was attended by trade officials from The People's Republic of Bangladesh, The Arab Republic of Egypt; The Islamic Republic of Iran, The Republic of Indonesia, Malaysia, The Federal Republic of Nigeria, The Islamic Republic of Pakistan, and The Republic of Turkey. The Arab Republic of Egypt was represented by trade officer from the Embassy in Jakarta.
7. The Delegation of Iran as Co-Chairman of the Working Group on Preferential Trade Agreement presented his report to the Plenary on the deliberations in the working group.

8. It was reported that the Working Group on Preferential Trade Agreement agreed to make some changes on a number of Articles in the draft text Agreement. Substantive and elaborate discussions on the draft text Agreement covered Articles 3 to 22. The bracketed formulation on some Articles required further consultation and deliberation. The amended draft Agreement is attached in **Annex V**.
9. The Working Group on Multilateral Agreement on Mutual Administrative Assistance in Customs Matters was chaired by Mr. Liaqat Ally Agha, of the Islamic Republic of Pakistan and Co-Chaired by Mr. Abdurochman of the Republic of Indonesia. It was attended by the customs representatives from The People's Republic of Bangladesh, The Islamic Republic of Iran, The Republic of Indonesia, The Federal Republic of Nigeria, The Islamic Republic of Pakistan, and The Republic of Turkey. The Arab Republic of Egypt and Malaysia were not represented.
10. The Chairman of the Working Group on Multilateral Agreement on Mutual Administrative Assistance in Customs Matters presented his report to the Plenary the deliberations in the working group. It was reported that the Working Group on Customs has concluded its deliberations and approved the draft Agreement with some changes on a number of text Articles. The amended Draft Agreement is attached as **Annex VI**.
11. Substantive deliberation in the Working Group on Customs Matters focused on *Article 9: Controlled Delivery; Article 10: Cross Border Cooperation; Article 11: Hot Pursuit; and Article 12: Cross Border Surveillance*. The meeting finally agreed to delete those articles with the following consideration:
 - a. Member countries viewed that the above-mentioned Articles are not in line with the primary objectives of concluding the agreement on mutual administrative assistance in customs matters among D-8 member countries. It was emphasized that activities provided for under those Articles would require further involvement of technical authorities, and might intervene with the existing domestic regulations and procedures in the respective member countries.
 - b. To avoid further complicated arrangement and implementation of those provisions, the meeting agreed to exclude these Articles.
12. The High Level Trade Officials Meeting decided that the two amended Drafts on *Preferential Trade Agreement* and *Multilateral Agreement on Mutual Administrative Assistance in Customs Matters* be submitted to D-8 Executive Director and circulated to all member countries for their further comments and approval.
13. The delegation of the Republic of Turkey expressed his willingness to host the fourth meeting of HLTO during the second quarter of 2005.
14. The Head delegation of the Republic of Turkey on behalf of all participating delegates expressed his appreciation and gratitude to the Government of the Republic Indonesia for hosting the third meeting of High Level Trade Officials.



**MULTILATERAL AGREEMENT
AMONG D-8 MEMBER COUNTRIES
ON ADMINISTRATIVE ASSISTANCE
IN CUSTOMS MATTERS**



HAVING REGARD TO the United Nations Universal Declaration of Human Rights of 1948;

ALSO HAVING REGARD TO the joint efforts of Customs administrations for capacity building in enhancing their skills for carrying out their responsibilities, increasing their revenue and protecting their economy and society.

Have agreed as follows:

CHAPTER-I Definitions

Article 1

For the purposes of this Agreement,

- a. "Customs administration" shall mean the Customs authority and any other authority of a Contracting Party authorized under national law and designated by that Contracting Party to apply any provision of this Agreement.
- b. "Customs duties" shall mean all duties, taxes, fees or any other charges which are levied in the territories of the Contracting Parties in application of Customs law, but not including fees and charges for services rendered;
- c. "Customs claim" shall mean any amount of Customs duties that cannot be collected in one of the Contracting Parties;
- d. "Customs law" shall mean any legal and administrative provisions applicable or enforceable by either Customs administration in connection with the importation, exportation, transshipment, transit, storage, and movement of goods, including legal and administrative provisions relating to measures of prohibition, restriction, and control;
- e. "Customs offence" shall mean any breach or attempted breach of Customs law;
- f. "information" shall mean any data, whether or not processed or analyzed, and documents, reports, and other communications in any format, including electronic, or certified or authenticated copies thereof;



- g. "official" shall mean any Customs officer or other government agent designated by a Customs administration;
- h. "person" shall mean both natural and legal persons, unless the context otherwise requires;
- i. "personal data" shall mean any data concerning an identified or identifiable natural person;
- j. "requesting administration" shall mean the Customs administration which requests assistance;
- k. "requested administration" shall mean the Customs administration from which assistance is requested;
- l. "requesting Contracting Party" shall mean the Contracting Party whose Customs administration requests assistance;
- m. "requested Contracting Party" shall mean the Contracting Party whose Customs administration is requested to provide assistance.

CHAPTER-II Scope of the Agreement

Article 2

1. Exchange of Information

Contracting Parties shall, through their Customs administrations, provide each other with relevant information under the terms set out in this Agreement, for the proper application of Customs laws, for the prevention, investigation and combating of Customs offences and to ensure the security of trade supply chain.

2. Capacity Building

Member countries shall initiate Customs training program to enhance the knowledge and skills of the Customs personnel, provide expertise and share training facilities and programs with each other.

3. Administrative Assistance

- a. The Contracting Parties shall through their Customs administrations provide among themselves administrative assistance under the terms set out in this Agreement, for the proper application of Customs laws and for the prevention, investigation and combating of Customs offences;



- b. All assistance under this Agreement by either Contracting Party shall be provided in accordance with its national legal and administrative provisions and within the limits of its Customs administration's competence and available resources;
- c. This Agreement only covers multilateral administrative assistance among the Contracting Parties and is not intended to impact mutual/multilateral legal assistance agreements between/among them. If mutual assistance is to be afforded by other authorities of the requested Contracting Party, the requested administration shall indicate those authorities and, where known, the relevant agreement or arrangement applicable;
- d. The provisions of this Agreement shall not give rise to a right on the part of any person to impede the execution of a request.

4. Transit Facilitation

For the promotion of trade among themselves, the Contracting Parties shall facilitate the transit movements by simplifying and harmonizing the Customs procedures and compliance mechanism.

5. Customs Data Bank (CDB)

Member countries shall consider establishing a centralized Customs Data Bank for effective information sharing.

CHAPTER III Scope of Assistance

Article 3 Information for the Application and Enforcement of Customs Law

The Customs administrations shall, to the extent possible, provide each other, either on request or on their own initiative, with information which helps to ensure proper application of Customs Law and the prevention, investigation and combating of Customs offences. Such information may include:

- a. new Customs law enforcement techniques having proved their effectiveness;
- b. new trends, means or methods of committing Customs offences;



- c. goods known to be the subject of Customs offences, as well as transport and storage methods used in respect of those goods;
- d. any other data that can assist Customs administration in risk assessment for control and facilitation purposes.

CHAPTER IV Special Instances of Assistance

Article 4 Information Relating To Customs Offences

1. The Customs administration of a Contracting Party shall provide the Customs administration of any other Contracting Party concerned, either on its own initiative or on requests, with information on activities, planned, ongoing or completed which provide reasonable grounds to believe that a Customs offence has been committed or will be committed in the territory of the Contracting Party concerned.
2. In serious cases that could involve substantial damage to the economy, public health, public security or any other vital interest of either Contracting Party, the Customs administration of the other Contracting Party shall, wherever possible, supply such information on its own initiative without delay.

Article 5 Particular Types of Information

On request, the requested administration shall provide the requesting administration, who has reason to doubt the accuracy of information provided to it in a Customs matter, with information relative to:

- a. whether goods imported into the territory of the requesting Contracting Party have been lawfully exported from the territory of the requested Contracting Party;
- b. whether goods exported from the territory of the requesting Contracting Party have been lawfully imported into the territory of the requested Contracting Party and in accordance with the Customs procedure, if any, under which the goods have been placed.



Article 6 Notification

1. On request, the requested administration shall, if permissible under its national law, take all necessary measures to notify a person residing or established in its territory of all decisions taken by the requesting administration in application of Customs law concerning that person, that fall within the scope of this Agreement;
2. Such notification shall be made in accordance with the procedures applicable in the territory of the requested Contracting Party for similar national decisions.

Article 7 Assistance in the Recovery of Customs Claims

1. On request, the Customs administrations shall afford each other assistance with a view to the recovery of Customs claims, provided that both Contracting Parties have enacted the necessary legal and administrative provisions at the time of the request;
2. Assistance in recovering Customs claims shall be arranged in accordance with Article 20 of this Agreement.

Article 8 Surveillance and Information

1. On request, the requested administration shall, to the extent possible, maintain surveillance over and provide the requesting administration with information on:
 - a. goods either in transport or in storage known to have been used or suspected of being used to commit a Customs offence in the territory of the requesting Contracting Party;
 - b. means of transport known to have been used or suspected of being used to commit a Customs offence in the territory of the requesting Contracting Party;
 - c. premises known to have been used or suspected of being used in connection with the commission of a Customs offence in the territory of the requesting Contracting Party;



- d. persons known to have committed or suspected of being about to commit a Customs offence in the territory of the requesting Contracting Party, particularly those moving into and out of the territory of the requested Contracting Party.
2. The Customs administration of any Contracting Party may maintain such surveillance on its own initiative if it has reason to believe that activities planned, ongoing or completed appear to constitute a Customs offence in the territory of another Contracting Party.

CHAPTER V

Joint Control and Investigation Teams

Article 9

1. Contracting Parties may establish joint control or investigation teams to detect and prevent particular types of Customs offences requiring simultaneous and coordinated activities.
2. Such teams shall operate in accordance with the law and procedure of the Contracting Party in whose territory the activities are being carried out.
3. The working of these teams shall be arranged in accordance with Article 20 of this Agreement.

CHAPTER VI

Communication of Requests

Article 10

1. Requests for assistance under this Agreement shall be addressed directly to the Customs administration of the other Contracting Party. Requests shall be made in writing or electronically, and shall be accompanied by any information deemed useful to comply with the request. The requested administration may require written confirmation of electronic requests. Where the circumstances so require, requests may be made orally. Such requests shall be confirmed in writing as soon as possible.
2. Requests made pursuant to paragraph 1 of this Article, shall include the following details:
 - (a) the name of the requesting administration;



- (b) the Customs matter at issue, type of assistance requested, and reason for the request;
 - (c) a brief description of the case under review and its administrative and legal elements;
 - (d) the names and addresses of the persons to whom the request relates, if known.
3. Where the requesting administration requests that a certain procedure or methodology be followed, the requested administration shall comply with such a request, subject to its national, legal and administrative provisions.
 4. On request, the requested administration shall provide certified copies of the requisite documents. Any document exchanged shall be accompanied by, to the possible extent, all relevant information for the interpretation and use thereof.
 5. The information referred to in this Agreement shall be communicated to officials who are specially designated for this purpose by either Customs administration. A list of those officials shall be supplied to the Customs administration of the other Contracting Party in accordance with Article 20 of this Agreement.

CHAPTER VII Execution of Requests

Article 11 Means of Obtaining Information

Each Contracting Party shall develop its own mechanism in obtaining information.

Article 12 Presence of Officials in the Territory of the Other Contracting Party

On written request, officials specially designated by the requesting administration may, with the authorization of the requested administration and subject to conditions the latter may impose, for the purpose of investigating a Customs offence:



- (a) examine, in the offices of the requested administration, documents and any other information in respect of that Customs offence, and be supplied with copies thereof;
- (b) be present during an inquiry conducted by the requested administration in the territory of the requested Contracting Party which is relevant to the requesting administration; these officials shall only have an advisory role.

Article 13
**Presence of Official of the Requesting Administration at
the Invitation of the Requested Administration**

Where the requested administration considers it appropriate for an official of the requesting administration to be present when, pursuant to a request, measures of assistance are carried out, it may invite the participation of the requesting administration subject to any terms and conditions it may specify.

Article 14
Arrangement for Visiting Officials

1. When officials of either Contracting Party are present in the territory of another Contracting Party under the terms of this Agreement, they must at all times be able to furnish, in a language acceptable to the requested administration, proof of their official identity and status in their Customs administration and of their official status as granted in the territory of the requested administration;
2. Officials designated by the requesting administration to be present in the territory of the requested Contracting Party, as provided for in Article 12 and 13, shall have a purely advisory role;
3. They shall, while in the territory of another Contracting Party under the terms of this Agreement, enjoy the protection accorded to Customs officers of the other Contracting Party to the extent provided by the laws in force there, and be responsible for any offence they commit.



Article 15 Experts and Witnesses

On request, the requested administration may authorize its officials to appear before a court or tribunal in the territory of the other Contracting Party as experts or witnesses in the matter related to the application of Customs law.

CHAPTER VIII Confidentiality of Information

Article 16

1. Any information received under this Agreement shall be used only by the Customs administrations and solely for the purposes of this Agreement except in cases where the Customs administration supplying the information has authorized its use by other authorities or for other purposes.
2. Any information received under this Agreement shall be treated as confidential and shall, at least, be subject to the same protection and confidentiality as the same kind of information is subject to under the national law of the Contracting Party where it is received.

CHAPTER IX Protection of Personal Data

Article 17

1. Personal data exchanged under this Agreement shall not begin until the Contracting Parties have mutually agreed, in accordance with Article 20 of this Agreement, that such data will be afforded a level of protection that satisfies the requirements of national law of the providing Contracting Party.
2. In the context of this Article, the Contracting Parties shall provide each other with their relevant legislation concerning the protection of personal data.



CHAPTER X Exemptions

Article 18

Where any assistance requested under this Agreement may infringe the sovereignty, laws and treaty obligations, security, public policy or any other substantive national interest of a requested Contracting Party, or prejudice any legitimate commercial or professional interests, such assistance may be declined by that Contracting Party or provided subject to any terms or conditions it may require.

CHAPTER XI Costs

Article 19

1. Subject to paragraphs 2 and 3 of this Article, the requested Customs administration shall waive all claims for reimbursement of costs incurred in the execution of this Agreement.
2. Expenses and allowances paid to experts and witnesses, as well as costs of translators and interpreters, other than Government employees, shall be borne by the requesting administration.
3. If the execution of request requires expenses of a substantial or extraordinary nature, the Contracting Parties shall consult to determine the terms and conditions under which the request will be executed as well as the manner in which the costs shall be borne.

CHAPTER XII Implementation and Application of the Agreement

Article 20

The Customs administrations shall jointly decide on detailed arrangements to facilitate the implementation and application of this Agreement.



CHAPTER XIII Territorial Application

Article 21

This Agreement shall be applicable in the territories of all the Contracting Parties as defined in their national legal and administrative provisions.

CHAPTER XIV Settlement of Disputes

Article 22

1. The Customs administrations shall endeavor to resolve disputes or other difficulties concerning the interpretation or application of this Agreement by mutual accord.
2. Unresolved disputes or difficulties shall be settled by diplomatic means.

CHAPTER XV Final Provisions

Article 23 Entry into Force

1. This Agreement shall enter into force for each Contracting Party on the first day of the second month after each of the Contracting Parties has notified D-8 Executive Office in writing through diplomatic means that the constitutional or internal requirements for the entry into force of this Agreement have been met.
2. The instrument of acceptance or notification of this Agreement shall be deposited in the Secretariat of D-8 Executive Office in Istanbul.
3. This Agreement shall enter into force 90 days after the deposition of instrument of ratification of five (5) Member States of D-8 Countries.

Article 24 Duration and Termination

1. This Agreement is intended to be of unlimited duration but any Contracting Party may terminate it at any time by notification through diplomatic means.



2. The termination shall take effect three months from the date of the notification of termination to the depositary. Ongoing proceedings at the time of termination shall, nonetheless, be completed in accordance with the provisions of this Agreement.

Article 25 Review

The Contracting Parties shall meet in order to review this Agreement on request or at the end of five years from the date of its entry into force, unless they notify the Secretariat of the D-8 Executive Office in Istanbul in writing that no such review is necessary.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto, have signed this Agreement.

DONE at Bali, Indonesia on the 13th day of May 2006 in the English language in one original copy.

Report of the
Fourth Meeting of High Level Trade Officials

Ankara, Turkey
19-20 April 2005,

**Report of the Fourth Meeting
of High Level Trade Officials of the Developing Eight (D-8)
Ankara, Turkey, 19-20 April 2005**

1. The Government of the Republic of Turkey hosted the 4th Meeting of High Level Trade Officials of the Developing Eight in Ankara on 19-20 April 2005. The delegations from all member states attended the meeting. The list of participants is attached as **Annex I**.
2. The Director General of Agreements, Undersecretariat of the Prime Ministry for Foreign Trade, Mr. Tevfik Mengü formally opened the meeting. In his opening remarks, Mr. Mengü mentioned that one of the primary objectives of the D-8 Countries was the development of trade relations among the member states and the Preferential Trade Agreement was the most significant step that had been taken for the fulfilment of that objective. Mr. Tevfik Mengü, the Director General of Agreements, Undersecretariat of the Prime Ministry for Foreign Trade, was also elected to chair the meeting. The text of his remarks is attached as **Annex II**.
3. Ambassador Ayhan Kamel, Executive Director of D-8 was unable to attend the meeting. However, he sent his written message which was read out in the meeting by Mrs. Sunay Dizdar, Assistant to the Executive Director. In his written message, Mr. Ayhan Kamel mentioned the importance of the gains from the implementation of the Preferential Trade Agreement among the D-8 countries and congratulated all the members of the group for what has been achieved so far. The text of his address is attached as **Annex III**.
4. The agenda of the meeting was adopted and attached as **Annex IV**.
5. The Meeting agreed to make some changes to a number of Articles and also added some new Articles to the draft text Agreement. There have been substantive and elaborate discussions on the draft text Agreement.

The points on which there was no consensus have been put in brackets in the Amended Draft Agreement. These points will be taken up for clarification in the next Meeting of High Level Trade Officials of the Developing Eight.

One of the points was the explanation of the Assistant to the Executive Director concerning the new Article 26 of the draft text which stipulates the D-8 Coordinating Unit to serve as the Secretariat of Trade Ministers Council and the Supervisory Committee. She pointed out that at present, the Coordinating Unit does not have the required manpower to provide secretariat support to these meetings. This, however, will be possible once the Coordinating Unit is enlarged and strengthened.

The most important issue was about the tariff reduction modality. Since all D-8 countries are also member of the Organization of Islamic Conference (OIC), the tariff reduction modality that was agreed upon at the last meeting of the Trade Negotiating Committee of Trade Preferential System among the Member States of OIC (TPS-OIC), which was held on 30 March – 2 April, 2005 in Turkey, was taken up for discussion providing an opportunity to each member to express their views. The Nigerian delegate, however, registered his reservations saying that he had no mandate

to discuss or negotiate the issue. The Turkish delegate stated that, after 4 years time mentioned in the draft modality, product coverage rate of tariff reduction for Turkey may or may not be increased to 10%. He also said that if 10 % production coverage rate cannot be accepted, his country would give more reductions on the decided %7 to compensate the differences. Due to lack of consensus on the modalities, the concerned article has been put in brackets for future consideration.

As regards articles on “Transfer of Payments” and “Balance of Payment Difficulties”, the member countries will send their written comments to the D-8 Secretariat within 45 days from the conclusion of this meeting.

The amended draft Agreement is attached as **Annex V**.

6. The High Level Trade Officials Meeting decided that *The Fourth Version of the Draft Preferential Trade Agreement* be submitted to D-8 Executive Director and circulated to all member countries for further comments.
7. The meeting decided that the Executive Director of D-8 should consult capitals of Contracting States for a convenient date and venue of the next meeting.
8. The Head of the Delegation of Nigeria, Mr. A. K. Mohammed on behalf of all participating delegates expressed his appreciation and gratitude to the Government of the Republic of Turkey for hosting the fourth meeting of High Level Trade Officials.
9. Finally, Mr. Mengü thanked all the delegations for participating in the meeting and concluded his words by reiterating his conviction that the completion of preferential trade agreement will be a crucial step for the future success of economic integration of the D-8 Countries.

Report of the
Fifth Meeting of High Level Trade Officials

Islamabad, Pakistan

5-6 January 2006,

Report of the
Fifth Meeting of High Level Trade Officials of D-8 Countries
January 5-6,2006
Islamabad, Pakistan

1. The Government of the Islamic Republic of Pakistan hosted the 5th Meeting of High Level Trade Officials (HLTO) of the D-8 Countries in Islamabad, on January 5-6,2006. The delegations from all Member States attended the meeting. The list of participants is attached as **Annex I**.
2. In his opening address by D-8 Commissioner of Pakistan Mr. Tariq Osman Hyder mentioned that one of the primary objectives of the D-8 Countries was the development of trade relations among the member states. In this regard the finalization of Preferential Trade Agreement is the most significant step for the fulfillment of that objective. The text of his opening remarks is attached as **Annex II**.
3. Syed Asif Shah Secretary, Ministry of Commerce, Government of Pakistan in his key note address highlighted the existing potential among the D- 8 member countries and urged the need to exploit it through early finalizing the Preferential Trade Agreement. He called upon the need to come forward and join hands and further liberalize the trade regimes. The text of his address is attached as **Annex-III**.
4. The Member countries elected Mr. Shahid Bashir, Joint Secretary (Foreign Trade) Government of Pakistan as Chairman of the meeting.
5. The agenda of the meeting (**Annex IV**) was adopted unanimously.
6. The Meeting considered the 4th Version of the Preferential Trade Agreement along with the amendments proposed by Malaysia and the text of Preferential Trade Agreement (**Annex V**) was adopted, ad referendum. However, following observations were recorded:
 - a. Turkey undertook to reconfirm the 8% coverage of tariff lines under Article 5 of the Agreement
 - b. Bangladesh would also reconfirm the period of implementation of six years for the LDCs under Article 5 of the Agreement.

7. Implementation Of Tariff reduction is dependent upon agreed Rules of Origin (RoO). Pakistan undertook to table a draft RoO for consideration during Sixth meeting of the HLTO.
8. It was decided that The Fifth Version of the Draft Preferential Trade Agreement be submitted to D-8 Executive Director and circulated to all Member Countries for final approval in the next meeting of HLTO.
9. On the offer by the Indonesian Delegation it was decided that the next HLTO meeting will be held in Indonesia in the first week of April 2006. The D-8 Secretariate is requested to make necessary coordination in this regard.
10. The meeting took note of the suggestions that Investment and Trade in Services can also be included in the Regional initiative.
11. The Head of the Delegation of Egypt, on behalf of all participating delegates expressed his appreciation and gratitude to the chairman for conducting the meeting in very positive and constructive manner and under his able guidance the participants developed consensus on the draft PTA. They also appreciated the Government of Pakistan for hosting the Fifth meeting of HLTO in Islamabad.

**Report of the
Sixth Meeting of High Level Trade Officials**

Bali, Indonesia

3-4 April 2006

**Report on the Sixth Meeting of
High Level Trade Officials of the Developing Eight (D-8)
Bali, Indonesia, 3-4 April 2006**

1. The Government of the Republic of Indonesia hosted the Sixth Meeting of High Level Trade Officials (HLTO) of the Developing Eight in Bali, Indonesia, on 3-4 April 2006. The Meeting was presided over by H.E. Herry Soetanto, the Director General of International Trade Cooperation of Ministry of Trade of the Republic of Indonesia. The delegations from all D-8 member states attended the Meeting. The list of delegates is attached as Annex I.

2. In his welcoming remarks, H.E. Ambassador Mochamad S. Hidayat, the Director General of Multilateral of the Ministry of Foreign Affairs/D-8 Commissioner of the Republic of Indonesia highlighted that trade is the main issue of D-8 cooperation as it could contribute significantly to economic development. Using trade as a means to address poverty problems requires comprehensive approach at both domestic and international level. Therefore, concluding the draft Preferential Trade Agreement (PTA) among D-8 countries would be very important for enhancing D-8 intra trade. The Sixth Meeting of HLTO was highly expected to finalize the draft PTA so that it could be signed during the Fifth Summit of D-8 in Bali on 13 May 2006. During the Summit, another Agreement on Customs Cooperation would also be signed, to facilitate the PTA. With the conclusion of the two Agreements, D-8 member countries would be materializing their commitment through concrete cooperation. The text of his remarks is attached as Annex II.

3. H.E. Herry Soetanto mentioned in his opening statement that the trade relation among D-8 countries was still below expectation although the opportunity and its potential were vast enough. Most of D-8 member countries are developing economies where trading activities should be

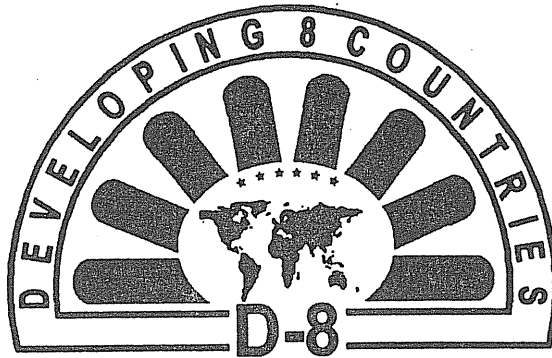
further facilitated. The D-8 Governments should undertake effective measures and leading initiatives in providing supportive mechanism to the private sector to be involved more actively in expanding D-8 intra trade. Finalizing the draft PTA became more relevant and essential for enhancing D-8 intra trade. The text of his opening statement is attached as Annex III.

4. The Agenda of the Meeting was adopted and attached as Annex IV.
5. The Meeting considered the Fifth version of the draft PTA among D-8 countries, particularly on the two pending issues contained in Article 5 of the PTA. In this regard, the Delegation of Turkey confirmed that Turkey accepted the 8% tariff line coverage as contained in Article 5.1c(i). Meanwhile, the Delegation of Bangladesh proposed a two-year grace period prior to the six annual installment for LDCs in tariff reduction modality as provided in Article 5.1c(ii). After a lengthy discussion, most delegates were not in favour of Bangladesh proposal. There were several alternatives raised during the discussion, among other giving Bangladesh a two-year grace period and four-year installment, or seven-year installment without grace period. However, Bangladesh delegation expressed the difficulty in agreeing to this alternative. In the spirit of compromise, finally the Meeting agreed to extend the installment for LDCs from six to eight years without the two-year grace period.
6. The Meeting also discussed Article 13 and adopted it with some modification. With regard to Article 14 on Safeguard Measures, it was agreed to include a new paragraph to elaborate the right of contracting members in applying safeguard measures.
7. The Meeting adopted the draft PTA and agreed to submit it to the respective D-8 Governments for signing during the Fifth D-8 Summit in Bali, on 13 May 2006. In this regard, member countries were expected to complete their

internal procedures and requirements for the signing of the PTA. It was emphasized that the PTA should be signed by the respective Trade Minister. The adopted PTA among D-8 Countries is attached in Annex V.

8. The Delegation of Pakistan introduced his proposal on the draft Rules of Origin (RoO). Some delegates expressed their general views and comments on the draft RoO. Pakistan would send an improved text of the draft RoO to all HLTO members for further consideration. The Meeting agreed to continue more comprehensive consideration of the draft RoO in the next HLTO meeting. It was further agreed that more elaborated views and positions of each D-8 member countries would be provided in writing and sent to the D-8 Secretariat for circulation to all D-8 member countries prior to the forthcoming HLTO meeting.
9. The Meeting requested the D-8 Executive Director to consult member countries on the venue of the seventh meeting of HLTO that should be held in 2006.
10. The Head of Delegation from Egypt on behalf of all participating delegates expressed his appreciation and gratitude to the Government of the Republic of Indonesia for hosting the Sixth Meeting of HLTO.
11. The D-8 Commissioner of Indonesia briefed the Meeting on the preparation of the Summit and its preceding meetings to be held in Bali, Indonesia, from 9 to 13 May 2006, The related Administrative Arrangement document was also distributed in the Meeting. HLTO members were requested to encourage their respective business communities and private sector to take part actively in the Trade Fair and Business Forum that would be held during the forthcoming summit.

12. In his closing remarks, the Chairman emphasized that the D-8 member countries needed to work hard to further negotiate the modalities for the implementation of the PTA, including the RoO and the schedule of concession.



**PREFERENTIAL TRADE AGREEMENT
AMONG D-8 MEMBER STATES**



PREFERENTIAL TRADE AGREEMENT AMONG D-8 MEMBER STATES

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PREFERENTIAL TRADE AGREEMENT AMONG D-8 MEMBER STATES

PREAMBLE

The Governments of the People's Republic of Bangladesh; The Arab Republic of Egypt; The Republic of Indonesia; The Islamic Republic of Iran; Malaysia; The Federal Republic of Nigeria; The Islamic Republic of Pakistan; The Republic of Turkey (hereinafter referred to as the Contracting Members).

CONSCIOUS of their longstanding friendship and fraternity;

EXPECTING that this Agreement will create a new climate for economic and trade relations between them;

RECOGNIZING that strengthening of their closer economic partnership will bring economic and special benefits and improve the living standards of their peoples;

BEARING in mind that the expansion of mutual trade and economic relations will promote world peace and stability;

BELIEVING that this arrangement would expand gradually and extend to new areas of mutual interests;

AGREEING that those Contracting Members that are not members of the World Trade Organization (WTO) will continue to pursue the WTO accession process and those Contracting Members that are WTO members shall facilitate and support their accession through appropriate efforts;

CONSIDERING that rights and obligation of the Contracting Members arising from other bilateral, regional or multilateral agreements shall not be affected by the provisions of this agreement:

STRESSING the need for the diversification of traded goods with a view to fostering further development of their respective economies;

RECOGNIZING that progressive reductions and elimination of barriers to trade will also contribute towards the expansion of trade;

Have agreed as follows:



Article 1 **DEFINITIONS**

For the purposes of this Agreement;

- a. "Member States" refers to the Member States of the D-8.
- b. "Contracting Members" means Member States, which have ratified this Agreement.
- c. "Tariffs" means customs duties or import duties stipulated in the national tariff schedules of the Contracting Members.
- d. "Para-Tariffs" means border charges and fees/taxes other than tariffs on foreign trade transactions of a tariff like effect which are levied solely on imports but not those indirect taxes and charges which are levied in the same manner on like domestic goods. Import charges corresponding to specific services rendered, are not considered as para-tariff measures.
- e. "Non-tariff barriers" means any measure, regulation, or practice, other than tariff and para-tariff, the effect of which is to restrict imports or significantly distort trade between the Contracting Members.
- f. "Goods" constitute those scheduled under the Harmonized Commodity Description and Coding System.
- g. "Preferential treatment" means any tariff, para-tariff and non-tariff barriers concession or privilege by Contracting Members.
- h. "Serious injury" means significant damage to domestic industry of like or similar goods resulting from a substantial increase of preferential imports in situations which cause substantial losses in terms of earnings, production or employment unsustainable in the short term. The examinations of the import on the domestic industry concerned shall also include an evaluation of either relevant economic factors and indices having a bearing on the state of the domestic industry of that product.
- i. "Threat of Serious Injury" means a situation in which a substantial increase of preferential imports is of a nature so as to cause Serious Injury to domestic goods and that such injury, although not yet existing, is clearly imminent. A determination of threat of Serious Injury shall be based on facts and not on mere allegation, conjecture, or remote or hypothetical possibility.



- j. "Critical Circumstances" means the emergence of an exceptional situation, where massive preferential imports are causing or threatening to cause "Serious Injury" difficult to repair and which calls for immediate action.
- k. "Domestic industry" means the producers as a whole of the like or directly competitive product operating in the territory of Contracting Members or those whose collective output of the like or directly competitive product constitutes a major proportion of the total domestic production of those products.
- l. "Dumping" means the introduction of a product into the commerce of the other Contracting Member at less than its normal value which is the comparable price in the ordinary course of trade for the like product destined for consumption in the exporting country, or in the absence of such domestic price, the comparable price for the like product for export to appropriate third country in the ordinary course of trade, or the cost of production of the product in the country of origin plus a reasonable addition for selling cost and profit.
- m. "Least Developed Contracting Member" means a Contracting Member which is designated as a least developed country by the United Nations.
- n. "Supervisory Committee" means a committee established under Article 27.
- o. "Trade Ministers Council (TMC)" means a council established under Article 28.

Article 2 **OBJECTIVES**

The objectives of this Agreement are to strengthen trade relations among Contracting Members in particular through the:

- a. general principles referred to in Article 3;
- b. reduction of tariffs and elimination of non-tariff barriers and para-tariffs;
- c. promotion and expansion of trade, contributing towards the harmonious development of economic relations among the Contracting Members;



- d. creation of enabling conditions for fair competition among the Contracting Members;
- e. facilitation of mutual trade and contribution towards expansion of world trade;
- f. creation of a more predictable and secure environment for sustainable growth of trade among the Contracting Members; and
- g. facilitation in the diversification of commercial exchanges among the Contracting Members.

Article 3 **GENERAL PRINCIPLES**

1. This Agreement shall be governed in accordance with the following principles:
 - a. Overall reciprocity and mutuality of advantages to benefit equitably all Contracting Members, taking into account their respective levels of economic development, external trade, tariff policies and import procedures; and
 - b. Recognition of needs of the Least Developed Contracting Members; and
 - c. Negotiations and implementation of the concessions in phases.
2. The Contracting Members shall establish and evolve a mechanism to promote and maintain mutual trade and economic cooperation.

Article 4 **SCOPE**

The provisions of this Agreement shall apply to trade in goods, contained in the national tariff schedules of concessions and originating in the territories of the Contracting Members.

Article 5 **TARIFF REDUCTION MODALITY**

1. Upon entry into force of the Agreement, unless otherwise provided therein, the Contracting Members :



- (a) shall not increase the applied Tariff rates on the imports of the products covered under this Agreement without approval of the Supervisory Committee;
 - (b) shall notify one another of their respective applied tariff rates;
 - (c) shall reduce the applied tariff rates on goods specified in the national tariff schedules in accordance with the following modalities:
 - i. Tariff reduction shall cover 8% of each Contracting Member's total HS lines with tariff rates above 10%.
 - ii. Tariffs reduction modality shall be as follows:
 - o above 25 % shall be reduced to 25 %;
 - o above 15 % and up to 25 % shall be reduced to 15 %; and
 - o above 10% and up to 15% shall be reduced to 10%;

in eight annual installments by the LDCs and in four annual installments by other Contracting Members.
2. Contracting Members shall notify the D-8 Secretariat of their specific annual installments of reduction along with the list of goods within three months; from the date of entry into force of this Agreement.
 3. Contracting Members shall review their tariffs three years after the entry into force of this Agreement with the objective of expanding product coverage and / or deepening concessions and shortening the time frame.

Article 6

SCHEDULES OF CONCESSIONS

The tariff concessions negotiated and exchanged among the Contracting Members shall be Annexed as an integral part of this Agreement.



Article 7
MOST FAVORED NATION TREATMENT

1. The exchange of negotiated concession under this Agreement shall be implemented on a most favored nation (MFN) basis, and its benefits shall accrue to all the Contracting Members.
2. Each Contracting Member shall extend to all the other Contracting Members treatment no less favorable than that extended, or will be extended, to any other state or customs territory in relation to tariff, para-tariffs, non-tariff barriers and any other trade related rules and regulations. The provisions of this paragraph shall not apply to concessions granted or to be granted within other bilateral and regional trade agreements.

Article 8
NATIONAL TREATMENT

The goods of any Contracting Member, imported to any other Contracting Member shall be accorded treatment no less favorable than that accorded to like goods of national origin, in respect of laws, regulations and requirements affecting their sale, offer for sale, purchase, transportation, distribution or use.

Article 9
PARA-TARIFFS

1. Contracting Members shall eliminate, upon entry into force of this Agreement, and in the case of LDCs within three years, their para-tariffs on the goods which are subject to reduction. This period for LDCs may be extended, if a request is made to and approved by TMC.
2. Upon entry into force of this Agreement no new para-tariffs shall be introduced, nor shall those already applied be increased, on the goods, which are subject to tariff reduction under this Agreement.



Article 10
NON-TARIFF BARRIERS

1. Contracting Members shall eliminate, upon entry into force of this Agreement, and in the case of LDCs within three years, their non-tariff barriers on the goods, which are subject to tariff reduction. This period for LDCs may be extended if a request is made to and approved by the TMC.
2. Upon entry into force of this Agreement no new non-tariffs shall be introduced, nor shall those already applied be increased, on the goods, which are subject to tariff reduction under this Agreement.

Article 11
MAINTENANCE OF THE VALUE OF CONCESSIONS

Except otherwise provided in this Agreement, no Contracting Member shall impair or nullify the concessions granted under this Agreement through the application of any tariff, para-tariff or non-tariff barriers or any other restrictive measures.

Article 12
RULES OF ORIGIN

Goods contained in the national schedules of concessions shall be eligible for preferential treatment if they satisfy the rules of origin which will be annexed to and form an integral part of this Agreement.

Article 13
ANTIDUMPING AND COUNTERVAILING MEASURES

In order to counter dumping or export subsidies, the Contracting Members shall have the right to initiate anti dumping and countervailing measures.

Article 14
SAFEGUARD MEASURES

1. If any product, which is a subject of a concession with respect to a preference under this Agreement, is imported into the territory of contracting members in such condition as to cause or threaten to cause serious injury to the domestic industry of those contracting members, the contracting members shall have the right to apply safeguard measures.



2. Before applying safeguard measures, the Contracting Member intending to apply such measure shall supply the Supervisory Committee with all relevant information required for a thorough examination of the situation with a view to seeking a solution acceptable to the Contracting Members. In order to find such solution, the Contracting Members shall immediately hold Consultations within the Supervisory Committee. If, as a result of the consultations, the Contracting Members do not reach an agreement within 30 days, the Contracting Member may apply safeguard measures provisionally.

Article 15

STANDARDS, TECHNICAL REGULATIONS AND SPS MEASURES

1. The Contracting Members shall ensure that technical regulations, conformity assessment procedures and standards are not prepared, adopted or applied with a view to creating barriers to mutual trade or to protect domestic production.
2. Accordingly, the Contracting Members shall ensure that:
 - (a) any sanitary or phytosanitary measures are applied only to the extent necessary to protect human, animal or plant life or health, is based on scientific principles and is not maintained without sufficient evidence, taking into account the availability of relevant scientific information and regional conditions.
 - (b) technical regulations are not prepared, adopted or applied with a view to or with the effect of creating unnecessary obstacles to mutual trade. For this purpose, technical regulations shall not be more trade-restrictive than necessary to fulfill a legitimate objective, taking into account the risks non-fulfillment would create. Such legitimate objectives are, inter alia, those described in Article (exceptions); prevention of deceptive practices; protection of environment. In assessing such risks, relevant elements of consideration are, inter alia, available scientific and technical information, related processing technology or intended end uses of goods.
3. Contracting Members may upon entry into force of this Agreement, enter into negotiations to develop Mutual Recognition Arrangements in the areas of standards, technical regulations, SPS standards, and accreditation of testing laboratories for certification of goods of Contracting Members.



Article 16
COOPERATION WITH INTERNATIONAL AND REGIONAL
ORGANISATIONS AND GROUPINGS

In order to promote trade, the Contracting Members agree to make arrangements, where appropriate, for cooperation with its specialized agencies, and other international and regional trade, and economic organizations and Groupings.

Article 17
RELATIONSHIP WITH OTHER AGREEMENTS

Notwithstanding the measures as set out in Article 5, the provisions of the Agreement shall not apply in relation to trade preferential arrangements under which preferences already granted by any Contracting Member to other Contracting Members outside the framework of the Agreement, and to third countries through bilateral and regional trade arrangements. The Contracting Members shall not be obliged to grant preferences in the Agreement, which impairs the concession extended under those arrangements.

Article 18
PAYMENTS AND TRANSFERS

1. Contracting Members shall not apply restrictions on international transfers and payments in freely useable currencies for current transactions.
2. Nothing in this Agreement shall affect the rights and obligations of the members of the International Monetary Fund under the Articles of Agreement of the Fund, including the use of exchange actions which are in conformity with the Articles of the Agreement, provided that a Contracting Member shall not impose restrictions on any current transactions inconsistently with its schedules of concessions regarding such transactions, except under Article 20 of this Agreement or at the request of the Fund.



Article 19
RE-EXPORT AND SHORTAGE

1. In the event a Contracting Member adopts or maintains a prohibition or restriction on the import from and export to a non-Contracting Member of goods, nothing in this Agreement shall be construed to prevent that Contracting Member from:
 - a. limiting or prohibiting imports from the territory of the other Contracting Members of such goods of that non-Contracting Member; or
 - b. requiring as a condition of export of such goods of the Contracting Member to the territory of the other Contracting Members, that the goods not be re-exported to the non-Contracting Member, directly or indirectly, without being consumed in territory of the other Contracting Members.
2. In addition, none of the provisions of this Agreement shall preclude the maintenance or adoption by any Contracting Member of any trade restrictive measures necessary to remove or forestall a serious shortage, or threat thereof, of goods essential to the exporting Contracting Member.

Article 20
RESTRICTIONS TO SAFEGUARD THE BALANCE OF PAYMENTS

1. In the event of serious balance of payments and external financial difficulties or threats thereof, Contracting Member may adopt or maintain restrictions on trade in goods on which it has undertaken concessions, including on payments or transfers for transactions related to such concessions. It is recognized that particular pressures on the balance of payments of a Contracting Member in the process of economic development or economic transition may necessitate the use of restrictions to ensure, inter-alia, the maintenance of a level of financial reserves adequate for the implementation of its programs of economic development or economic transition.
2. The restrictions referred to in Para 1 of this Article:
 - (a) shall not discriminate among Contracting Members;
 - (b) shall be consistent with the relevant Articles of Agreement of the International Monetary Fund;



- (c) shall avoid un-necessary. damage to the commercial, economic and financial interests of any other Contracting Member;
- (d) shall not exceed those necessary to deal with the circumstances described in paragraph 1;
- (e) shall be temporary and be phased out progressively as the situation specified in paragraph 1 improves.

Article 21 **GENERAL EXCEPTIONS**

Subject to the condition that such measures are not applied in a manner so as to constitute arbitrary or unjustifiable discrimination or a disguised restriction on a trade between the Contracting Members, nothing in this Agreement shall preclude prohibitions or restrictions on imports, exports and/or goods in transit justified on grounds of public morality, religious values, national security, the protection of human, animal and plant life and health, the protection of national treasures possessing artistic, historic or archeological value, the protection of exhaustible natural resources and genetic reserves, regulations concerning gold or silver and regulations concerning exports of goods the price of which are held below the world price as part of a government stabilisation plan.

Article 22 **SECURITY EXCEPTIONS**

Nothing in this Agreement shall prevent a Contracting Member from taking any measures, which it considers necessary for security requirements:

- a) to prevent the disclosure of confidential information contrary to its essential security interest;
- b) for the protection of its essential security interests or for the implementation of international obligations or national policies such as:
 - i. relating to the traffic in arms, ammunition and implements of war, provided that such measures do not impair the conditions of competition in respect of goods not intended for specifically military purposes, and to such traffic in other goods, materials and services as is carried on directly or indirectly for the purpose of supplying a military establishment; or



- ii. relating to the non-proliferation of biological and chemical weapons, nuclear weapons or other nuclear explosive devices; or
- iii. taken in time of war or other serious international tension.

Article 23
TRANSPARENCY

Laws, regulations and other relevant measures of general application including standards, specifications and certifications, which pertain to or effect the operation of this Agreement, shall be notified to the Supervisory Committee, and be made available among the contracting members upon request.

Article 24
TECHNICAL ASSISTANCE

Request from LDCs for Technical Assistance and cooperation shall be favorably considered by the other Contracting Members.

Article 25
CONSULTATIONS

1. Each Contracting Member shall accord sympathetic consideration to and shall afford adequate opportunity for consultations regarding such representations as may be made by any Contracting Member with respect to any matter affecting the implementation of this Agreement.
2. The Supervisory Committee established under Article 27 of this Agreement shall meet at the request of any Contracting Member to consider any matter for which it has not been possible to find a satisfactory solution through consultations under paragraph 1 above.

Article 26
DISPUTE SETTLEMENT

1. Any dispute arising from the interpretation and/or application of this Agreement shall first be settled amicably through mutual consultations, among the concerned disputing parties.



2. If the consultations fail to settle a dispute within 30 days after the date of receipt of the request for consultations which may be extended by a further period of 30 days through mutual consent, the complaining Contracting Member may request the Supervisory Committee to settle the dispute within 30 days on an ad-referendum basis or through extraordinary meeting of the Supervisory Committee.
3. In case the dispute is not settled, the Supervisory Committee shall refer it to the Arbitration Panel.
4. The Contracting Members shall within one year after the entry into force of this Agreement, determine the procedures for the Arbitration Panel which shall be annexed to and form an integral part of this Agreement.

Article 27 **SUPERVISORY COMMITTEE**

1. A Supervisory Committee shall be established, comprising the representatives of the Contracting Members, at senior official level. The Supervisory Committee shall meet initially within six (6) months upon entry into force of this Agreement and thereafter at least once a year to review the progress made in the implementation of this Agreement. Any Contracting Member may also request for holding of extraordinary meeting by notifying the D-8 Secretariat and other Contracting Members.
2. The Supervisory Committee shall undertake any function assigned to it under the provisions of this Agreement. Upon request by any Contracting Member and subject to the approval of all other Contracting Members, the Supervisory Committee shall also examine any other matter affecting the implementation of this Agreement.
3. Decisions of the Supervisory Committee shall be made by consensus where possible. In case consensus is not reached, the Supervisory Committee shall decide by a two third majority of total votes.
4. The Supervisory Committee shall set its own rules of procedures within six (6) months after its establishment. The Supervisory Committee may also set any other subsidiary bodies and expert groups, as it may consider necessary.
5. The Supervisory Committee shall present an annual report to the TMC Meeting.



Article 28
TRADE MINISTERS COUNCIL

1. The Contracting Members shall establish the TMC at the Ministerial level.
2. For the purpose of this Agreement, the TMC shall be the highest policy making body.
3. The TMC shall meet as and when considered necessary by the Contracting Members.

Article 29
SECRETARIAT

The D-8 Secretariat shall serve as the secretariat for the TMC and the Supervisory Committee.

Article 30
AMENDMENTS AND REVIEW

1. The Contracting Members may amend the provisions of this Agreement, having regard to the experience gained in its implementation and the need for meeting new requirements.
2. This Agreement may be amended by the mutual consent of all the Contracting Members through a Protocol agreed by the TMC. Such a Protocol shall come into force 30 days following the date on which all Contracting Members have notified the depository of their instruments of ratification.
3. The Contracting Members shall review within four (4) years upon entry into force of this Agreement to consider further trade liberalization and expansion of this Agreement, taking into account the future needs to make it more comprehensive.
4. The decisions made under this Article shall be effected by a consensus vote of all the Contracting Members.



Article 31
MODIFICATION OF CONCESSIONS

1. Any Contracting Member may, after a period of three years from the day the concession was extended, notify the Supervisory Committee of its intention to modify or withdraw any concession included in its appropriate schedule.
2. The Contracting Member intending to withdraw or modify a concession shall enter into consultation and/or negotiations, with a view to reaching agreement on any necessary and appropriate compensation, with Contracting Members with which such concession was initially negotiated and with any other Contracting Members that have a principal or substantial supplying interest as may be determined by the Supervisory Committee.
3. Should no agreement be reached between the Contracting Members concerned within six months of the receipt of notification and should the notifying Contracting Member proceed with its modification or withdrawal of such concessions, the affected Contracting Members as determined by the Supervisory Committee may withdraw or modify equivalent concessions in their appropriate schedules. Any such modification or withdrawal shall be notified to the Supervisory Committee.

Article 32
WITHDRAWAL AND VALIDITY

A Contracting Member may withdraw from the Agreement at any time after its entry into force. Such withdrawal shall become effective six months following the date on which that Contracting Member has informed the Supervisory Committee to that end through a written notice.

Article 33
ANNEXES AND PROTOCOLS

The Annexes and Protocols to the Agreement are an integral part of this Agreement.



Article 34
ENTRY INTO FORCE

This Agreement shall enter into force thirty days following the date on which D-8 Executive Director, the depository, has received the instruments of ratification by at least four Member States.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed this Agreement

DONE at Bali, Indonesia on the 13th day of May 2006 in the English language in one original copy.

**Report of the
Insurance Workshop for D-8 Countries**

Cairo, Egypt

1-2 March 2004

REPORT ON
D-8 INSURANCE WORKSHOP
1-2 MARCH 2004

In the light of the decisions taken in the XII Session of the D-8 Commission held during the period between 11-12 August 2003 in Cairo, the Egyptian Insurance Supervisory Authority in collaboration with Misr Issuance Company organized a workshop in Cairo during the period between 1-2 March 2004, under the title of "Supervision of the Insurance and Reinsurance Activities in D-8 countries."

Several topics have been dealt by a group of distinguished experts representing the Egyptian insurance matters.

The topics covered included:

- 1- Activating methods of Cooperation in Insurance & Reinsurance between D-8 countries.
- 2- Enhancing the Human Resources in Insurance Industry among D-8 countries in the context of open market and competition.
- 3- Standards of Supervision on Takaful Insurance & Reinsurance.
- 4- The growth of Malaysian Takaful Business since the Eighties.
- 5- Recent trends in marketing for insurance in D-8 countries.
- 6- Combating Money laundering (the Egyptian experience in insurance sector).
- 7- Standard of supervision of reinsurance.
- 8- Effective Regulatory and Supervisory System in D-8 insurance markets (Egyptian Experience).

Most of D-8 countries have participated in the workshop: Bangladesh, Turkey, Indonesia, Iran, Nigeria, Malaysia and Egypt

General Recommendations

- Enhancing human resources in insurance industry among D-8 countries
- Globalization should lead to more regionalization
- Encourage co-insurance arrangements among direct insurers specially for the peak risks.

- Provide active annual forums for the insurance related Organizations/Federations to exchange views.
- Allow branches and agents to operate freely.
- Improve the financial stability of all Reinsurance Companies and get rating from the international rating agencies.
- Strengthening capital requirements with an aim to have strong financial position for D-8 Insurance and Reinsurance companies.
- Harmonize the supervisory legislation related to insurance and reinsurance in D-8 countries through exchanging of the most recent laws and regulations.
- Sort out the outstanding issues between the commercial and takaful insurance.
- Optimize the utilization of the reinsurance capacity available in the area.
- Create market leaders in Reinsurance.
- Encourage mergers/acquisitions between regional insurance & reinsurance companies.
- Working in a regulated market has its requirements, which have to be complied with.

Recommendations in respect of Takaful Insurance

- Standardize the Takaful products and market it extensively.
- Takaful companies should deal with conventional reinsurance companies to protect benefits of their policyholders and their financial positions.
- Takaful insurance companies should implement the Actuarial control cycle in the new operations.
- Islamic Banks should create long-term investment tools to meet the demand of takaful companies.

Report of the
Seminar on Water Conservation and Drip Irrigation

Islamabad, Pakistan

26-28 April 2004

REPORT ON THE SEMINAR
ON
“WATER CONSERVATION AND DRIP IRRIGATION”
26-28 APRIL 2004 AT ISLAMABAD

In its capacity as coordinating country for Agriculture in D-8, Pakistan hosted a Seminar on “Water Conservation and Drip Irrigation” at Islamabad on 26-28 April 2004. The seminar participants included experts with specialization in water conservation and drip irrigation as well as other stakeholders in the area of drip irrigation from the D-8 member states including Pakistan.

The specific objective of the Seminar was to present and review the Country Reports on “Water Conservation and Drip Irrigation” comprising aspects of: a) existing state of drip irrigation development in the member states; b) local production of drip irrigation materials and involvement of the local industry in the provision of services to clients; c) problems being faced in large-scale adoption of the technology by farmers and other clients; and d) suggested framework for action.

The importance of the Seminar was evident from the fact that water scarcity is a major issue of concern not only for the D-8 member countries but also for the International Community. Water is a precious commodity and it is important that ways and means should be devised to optimize the utilization of available water resources by reducing the incidence of their wasteful and excessive use.

An invitation was also extended to FAO which provided all the requisite assistance and also sent their representative Dr. Daniel Renault, Senior Officer for Water and Irrigation Management, to attend this meeting. Dr. Renault delivered a keynote address on the “Global Perspective on Water Conservation and Water Saving, and Agricultural Techniques”.

The Fourth D-8 Summit in Tehran and its preparatory meetings had underscored the importance of close private sector involvement in D-8 activities. Accordingly, Pakistan took the initiative to invite a number of private sector representatives to the Seminar both from within the country and from the D-8 member states.

On this occasion an exhibition was also arranged on the sidelines of the Seminar of Drip Irrigation products manufactured in Pakistan by the Private sector.

On conclusion of this Seminar, the group made the following recommendations:

1. Exchange/sharing of knowledge and experience in Water Conservation and Management – each country may identify a Focal Point in their respective institutions – Pakistan being the Focal Point for Agriculture, the Ministry of Food, Agriculture and Livestock will facilitate such an exchange.
2. Decentralized cooperation and interaction among D-8 Stakeholders.
3. Farmers Support Programme in adoption of technology for sustainable development
4. Joint Ventures in the public private sectors.
5. Joint R&D initiatives for efficient water resources management.
6. Establishment of institutional linkages with International Institutions and Donor Agencies.

The Federal Water Management Cell (FWMC), Ministry of Food, Agriculture and Livestock (MINFAL), Government of Pakistan will take steps to prepare a Framework for Action (FFA) in consultation with the member countries.

**Report of the
Meeting of Takaful and Insurance Regulatory and
Supervisory Authorities**

Kuala Lumpur, Malaysia

13 July 2004

**Report of the
Developing Eight (D-8) Countries Cooperation:
Meeting of Takaful and Insurance Regulatory and Supervisory Authorities
Date: 13 July 2004
Venue: Sheraton Imperial Hotel, Kuala Lumpur**

Introduction Pursuant to the decision adopted at the 11th D-8 Commissioners' Meeting held in Cairo, Egypt on 6-7 June 2002, Islamic Banking and Takaful, in collaboration with Insurance Regulations Department and Insurance Supervision Department organised the inaugural Meeting of Takaful and Insurance Regulatory and Supervisory Authorities of D-8 Countries (the Meeting) on 13 July 2004 in Kuala Lumpur.

Meeting's Objective The objective of the one-day event is to give the delegates an opportunity to share and discuss the development of takaful and insurance industry in their respective countries as well as to establish a mechanism for cooperation in the development of takaful among the regulatory and supervisory authorities of D-8 countries.

Participation The Meeting has brought together ten representatives from the regulatory and supervisory authorities of five D-8 countries as follows:-

No.	Name	Country	Designation	Institution
1.	Feroz Ahmed	Bangladesh	Chief Controller of Insurance	Department of Insurance
2.	Syed Ataur Rahman	Bangladesh	Managing Director	Jiban Bima Corporation
3.	Yehia Ali Abdel-Ghafar	Egypt	Deputy Chairman	Egyptian Insurance Supervisory Authority
4.	Ahmed Fouad Selim	Egypt	Actuarial Assistant	Egyptian Insurance Supervisory Authority
5.	Rohana Sumihar	Indonesia	Head of Section for Financial Analytical	Directorate of Insurance Ministry of Finance
6.	Dayana Sasmito	Indonesia	Head of Section for Analytical Report	Directorate of Insurance Ministry of Finance
7.	Habib Mirzaei	Iran	Director Designing & Planning	Central Insurance of Iran

8.	Bakarudin Ishak	Malaysia	Director, Islamic Banking and Takaful Department	Bank Negara Malaysia
9.	Donald J. Jaganathan	Malaysia	Director, Insurance Regulation Department	Bank Negara Malaysia
10.	Sani Abd Hamid	Malaysia	Director, Insurance Supervision Department	Bank Negara Malaysia

Nigeria, Pakistan and Turkey did not send any representative to the Meeting.

Opening Ceremony and Special Session

The Meeting was officiated by H.E. Datuk Zamani Abdul Ghani, Deputy Governor, Central Bank of Malaysia. Among the honorable guests present were H.E. Dato' Mohd Razif Abdul Kadir, Assistant Governor, Central Bank of Malaysia and Mr. Hasnudin Hamzah, Malaysian Commissioner for the D-8, Ministry of Foreign Affairs.

The opening ceremony assembled approximately 130 guests comprising of D-8 delegates, senior officers of the Bank, chief executives of takaful operators and insurers, industry training institutes and industry associations.

A special session on "Leveraging on Information Communications Technology (ICT) for the Growth of Takaful and Insurance Industry" was held after the opening ceremony. The presenter of the session was Mr Sanjeewa Samaraweera, Solutions Director, CRM Practice Asia-Pacific, Unisys New Zealand Limited.

Meeting of Takaful and Insurance Regulatory and Supervisory Authorities

Subsequent to the opening ceremony and special session, the Meeting was held and the agenda of the Meeting is as follows:

1. Welcoming remarks by the Malaysian Commissioner for the D-8, Ministry of Foreign Affairs
2. Election of Chairman and Vice Chairman
3. Adoption of Agenda
4. Presentation of country papers on "*Development of Takaful and Insurance Industries from Regulators' Perspective*" (by Malaysia followed by Bangladesh, Egypt, Indonesia and Iran)
5. Discussion paper "*Establishment of Mechanism for Cooperation in Takaful and Insurance*"
 - presentation (by Malaysia)
 - discussion
6. Resolution

The meeting agreed to elect Mr. Bakarudin Ishak, in his capacity as the chief delegate for Malaysia, as Chairman for the meeting and Ms Dayana Sasmito from Indonesia as Vice Chairman.

Resolution	The Meeting provided an opportunity for the delegates to gain further insights into the development and progress of the takaful and insurance industry in member countries. In addition, the proposed cooperation framework provided a common platform for the member countries to share the aspiration of the D-8 towards the development and growth of takaful industry. At the end of the Meeting, a resolution was agreed by the delegates on the framework for cooperation in takaful among D-8 countries (please refer to Appendix I).
Dinner	A dinner in conjunction with the Meeting hosted by the Governor of Central Bank of Malaysia was held at the Malaysian Petroleum Club, Petronas Twin Towers was attended by senior officers of the Central Bank of Malaysia.
Conclusion	The Meeting achieved its main objective of establishing a mechanism for cooperation among the D-8 regulators in the area of takaful. Full participation of representatives from member countries would be critical in contributing towards the success of future meetings as this forum consists of small group.

**RESOLUTIONS OF
MEETING OF TAKAFUL AND INSURANCE REGULATORY AND
SUPERVISORY AUTHORITIES OF DEVELOPING EIGHT (D-8) COUNTRIES
(13 JULY 2004, KUALA LUMPUR)**

The regulators and supervisors of takaful and insurance of D-8 countries having met and discussed on areas of cooperation in Kuala Lumpur on 13 July 2004, adopted the following recommendations and decisions:

SCOPE

1. Agree that the primary focus of D-8 cooperation continues to be on takaful and retakaful.

OBJECTIVE OF COOPERATION

2. Agree that the objective of the cooperation is to encourage member countries to establish the takaful and retakaful sectors and the development of an effective regulatory and supervisory framework governing these business and facilitate capacity building in human resources.

MECHANISM FOR COOPERATION

3. Endeavour to convene the D-8 Takaful and Insurance Regulators Meeting (DTIRM) annually on rotation basis.

AREAS OF COOPERATION

4. Agree to set up two working groups to take charge of the following areas:-
 - (i) Education and training
 - Headed by Malaysia
 - (ii) Financial infrastructure development
 - Headed by Egypt

whereby other members commit to contribute to each of the working group.

5. Agree that each working group is required to study and recommend actions at the next meeting.
6. The DTIR will report to the D-8 Commissioners Meeting on the development and decisions adopted by the DTIRM.

13 JULY 2004

**Report of the
Seminar on WTO Issues**

Islamabad, Pakistan

21-22 December 2004

**REPORT ON D-8 SEMINAR HELD ON WTO ISSUES
FROM DECEMBER 21-22 2004 IN ISLAMABAD-PAKISTAN**

The Government of Pakistan (Ministries of Foreign Affairs and Commerce) hosted a two day seminar on WTO issues in Islamabad on 21-22 December 2004. Capital based officials participated in the seminar from Egypt, Iran, Indonesia, Turkey and Pakistan whereas Islamabad based diplomats represented Bangladesh and Nigeria. There was however no participation from Malaysia.

2. On the first day of the seminar, each delegation presented their respective country perspective on the ongoing WTO Doha Development Agenda (DDA) negotiations as well as on the WTO system as such. The second day however was devoted to an interactive discussion among the delegations on the most important subjects of the DDA. This was done with a view to arriving at a better understanding of each country's stance on various WTO issues and to explore the possibility of taking some common positions.

3. The proceedings of the second day were divided in to the following three substantive sessions:

- i) DDA negotiations on Agriculture.
- ii) Negotiations on non agricultural market access (NAMA).
- iii) All other DDA negotiations including services, special and differential treatment etc.

4. In the session on agriculture negotiations various delegations expressed the view that this was the most high profile and central negotiation in the DDA. On the one hand agriculture had an important socio-economic role in each of the D-8 countries. Secondly the major onus for reform in this area was on the developed countries who would need to make the required credible concessions in order to ensure satisfactory progress in all other negotiations, since they were all interconnected. It was therefore incumbent upon developed countries to eliminate export subsidies at the earliest and drastically reduce domestic support

so that distortions being caused in agricultural trade as a result could be minimized. Additionally developed countries would need to lower their prohibitively high tariff and non tariff barriers so that developing countries could exploit their comparative advantage and increase their agricultural exports to the developed world.

5. In the context of the NAMA negotiations it was felt that the developed world was maintaining tariff peaks, tariff escalations and non tariff barriers on products of export interest to the D-8 countries. It was therefore felt that all these issues needed to be addressed effectively so that developing countries could be facilitated in realizing their legitimate gains from the world trading system. At the same time it was also important that the principle of less than full reciprocity enshrined in the DDA should be kept in view since developing countries could not be expected to make equivalent concessions as developed nations in view of the obvious differences in their capacities.

6. In the final sessions, disappointment was expressed on the slow pace of negotiations regarding making the various special and differential provisions more effective. Nevertheless it was agreed that there was a need for the D-8 countries to continue to work closely especially with a view to moving this negotiation forward.

7. All delegations also made special mention of the issue of Iranian accession to the WTO, which was being delayed without adequate justification. They called upon the WTO as a whole to find an early and satisfactory resolution to this matter since it was damaging to the credibility of the organization.

8. Finally it was felt that this seminar had provided a good opportunity for D-8 officials to deliberate upon the ongoing negotiations and better understand each other's positions. Thus would help in better coordination of their positions in Geneva. It was felt that it would be useful to continue such coordination among the D-8 missions accredited to the WTO in Geneva.

Report of the
Second Working Group Meeting on Energy

Tehran, Iran

30-31 January 2005

**REPORT OF THE
SECOND D-8 WORKING GROUP MEETING ON ENERGY
HELD AT TEHRAN, I.R. of IRAN
30 - 31 January 2005**

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- 1. Executive Summary**
- 2. Opening Ceremony**
- 3. Country Reports**
- 4. Technical Sessions**
- 5. Meeting Statement**

EXECUTIVE SUMMARY

1.1. Introduction

Second D-8 Working Group Meeting on Energy was held on January 30-31, 2005 at Tehran, I.R. of Iran. The meeting was coordinated by Ministry of Energy in liaison with Ministry of Foreign Affairs. The following countries participated at the meeting, namely Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey.

1.2. Opening Ceremony

Eleven experts from six of the eight member countries and some 15 dignitaries from I.R. of Iran attended the meeting. The opening ceremony was commenced with recitation from holy Quran. His Excellencies Dr. Amrollahi, Vice Minister of Energy, I.R. of Iran and Mr. Majedi, Deputy Minister of Foreign Affairs and Commissioner of D-8 and other Directors General from both Ministry of Energy and Ministry of Foreign Affairs attended the opening ceremony. Chaired by Dr. D. Manzoor, Ministry of Energy, I.R. of Iran, H.E. Dr. Amrollahi gave the opening address.

After opening address by H.E. Dr. Amrollahi, the report of the First Energy Experts Working Group Meeting held at Abuja, Nigeria on April 3-5, 2001 was presented by the Nigerian delegate Professor A.S. Sambo, Director General, Energy Commission of Nigeria. Then the agenda of the meeting was read by the chairman and adopted by the D-8 delegates and also the Draft Committee and Reporters of the meeting were elected by the delegates.

1.3. Country Reports

During the meeting, country reports were presented by delegates from member countries including Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey. Only Bangladesh didn't present any report.

1.4. Technical Sessions

Two technical sessions were held on how to enhance exchange of energy information and also on how to set up an "International Institute for Training and Research" for development of human resources.

1.5. Meeting Statement

At the end of the meeting, a brief report of the meeting was prepared by draft committee and along with the proposed decisions and recommendations was read by chairman and adopted by delegates.

2- OPENING CEREMONY

In addition to eleven experts from seven of the eight member countries, representatives from the embassies of D-8 member countries in Tehran and the other dignitaries from Ministry of Energy, Ministry of Foreign Affairs and Ministry of Petroleum attended the Opening Ceremony. Chaired by Dr. Davood Manzor, Ministry of Energy of I.R. of Iran, the opening ceremony started with recitation from the Holy Quran and thereafter His Excellency Dr. Amrollahi, Vice Minister of Energy of the Islamic Republic of Iran gave the opening address.

Addressing the importance of energy as one of the most important drivers for modern economic development, Dr. Amrollahi noted that the challenge for us as policy makers is to provide for increase in demand while at the same time ensuring that it is economically and ecologically sustainable.

He emphasized that the challenge before Iran is to meet the energy needs of all segments of the population in an efficient and affordable manner ensuring long-term sustainability and environmental protection and in this regard, energy efficiency and conservation should be integral to any energy strategy.

Regarding to energy situation and the country's potentials, he mentioned that enhanced research and development and the transfer of energy-related technologies between and among countries is essential, and can be implemented through strategic partnerships, joint pilot projects and training. He emphasized that there are significant opportunities for D8 countries to work together to improve the analytical and policy-making capacity of the member countries. He noted that activities, such as information exchange and experience sharing, that can help promote the adoption of good practices and initiatives should get more attention.

2-1- Report of the First Meeting in Nigeria

After opening address by H.E. Dr. Amrollahi, the report of the First Energy Experts Working Group Meeting held at Abuja, Nigeria on April 3-5, 2001 was presented by the Nigerian delegate

Professor A.S. Sambo, Director General, Energy Commission of Nigeria. In the first Meeting, Eleven experts from seven of the eight member countries attended the meeting. Country papers were presented by each participating country on the energy situation and development in their respective countries and the presentations were actively discussed.

In the Energy Experts Meeting, the energy policy of the member countries for the purpose of establishing cross-linkages was examined. It also agreed on the following objectives for the activities of the Energy Sub-group:

- To cooperate on the development of energy data bank, information exchange and networking
- To promote bilateral and multilateral energy trade
- To promote cooperation in research and development, and human resource development in the energy sector
- To place special focus on increasing access to energy for rural areas using both commercial and non-commercial energy
- To cooperate in the promotion of manufacturing activities in the energy sector
- To promote commercial activities in energy products and services
- To promote environmentally sound and energy efficient policies and practices

In the field of Project Identification, the following projects were agreed upon after much deliberation:

- Promotion of small and mini hydro power plant projects
- Cooperation in improving production, transmission, distribution and utilization of energy technologies
- Cooperation in the establishment of a central and country based data banks
- Cooperation in the utilization of energy products and services which exist in member states
- The following modalities for implementation of the projects were adopted as applicable:
 - Feasibility study phase
 - Design phase
 - Manufacturing phase
 - Installation phase
 - Operation and maintenance phase

- electricity courses

3-7-4-1- Proposals for Cooperation among D8 Countries:

- Applied training of D8 industrial energy managers in Iranian and Turkish Training Centers and sharing the experiences learned.
- Expanding energy efficiency standardization and labeling in equipments and processes to all D8 members
- Use of the Iranian National Energy Lab for standardization, labeling and research services among D8
- Design and installation of Energy Conservation Lab in other D8 countries with the help of lessons learned in Iranian Lab
- Common research on natural gas technologies in both supply and demand sides
- Providing an energy database of implemented energy efficiency activities and useful experiences between D8 countries
- Exchange members experiences about:
energy efficiency legislation
utilizing financial aids and technical knowledge from international organizations
- Interchange energy experts among the members

4- TECHNICAL SESSIONS

4-1- First Technical Session

The first technical session was chaired by Dr. Sadeghi from I.R. Iran and co-chaired by Prof. A.S. Sambo from Nigeria. In this session, discussions were held on how to enhance exchange of energy information among member states by special focus on setting up of database for experts and energy institutes. In this regard, the Director General of Energy Information Center (EIC), Ministry of Energy of I.R. of Iran introduced EIC for participants.

4-1-1 - Energy Information Center, Ministry of Energy, I.R. Iran

Energy Information Center (EIC) was established in 1995. The purpose was to make energy related information available for planners, decision makers and policy makers, researchers & experts ,mangers & staff to make the right decisions and also for awareness of public with use of

EIC network and library with the latest information technology(IT) for Information Services.

EIC objectives among other things include:

- Providing requirements of government, experts, industries, managers, staffs and public.
- Collecting, organizing, processing, storing and presenting information to end-users
- Providing precise information and latest news in different fields of energy
- Providing comprehensive energy databank
- Providing integrated energy information system
- Providing library and network connection for making information available & accessible.
- EIC is collecting required information from energy producers and consumers and organizations continuously and annually. Information includes:

- Statistical information related to the energy carriers
- Energy experts
- Thesis and Projects
- Active Energy Centers
- Energy laws & regulation
- energy Standards of Consumer Products
- Energy Terminology

4-1-2- Comprehensive Energy Databank system in Country

“Iran Comprehensive Energy Databank” has been designed with the recent Information technology and includes the following databases:

1-The Statistical Energy Database: This database has primary and secondary information with high flexibility structure. Statistical information is about:

- Production and storage of renewable and nonrenewable energy carries
- Transferring and distribution of energy carriers
- Supply and demand
- Economic and environmental indicators

2- Energy Active Centers Database: This database is about the following active energy related centers with explanation of their activities:

- Governmental and private organizations
- Companies and producers

- Training and research centers
- Consultants, contractors
- Communities and committees

3-Energy Experts Database: “Experts Database” is about experts, consultants, executive managers, general directors and others who are involved in fields of energy with their histories and experiences. Data are collected, organized, processed and continuously added to databank by EIC.

4- Database of Consumer Products Standards: This database is about energy standards in the country including Number of standard, Title of standard and Text (information about standard).

5- Energy Laws and Regulations Database: Information of this database is about approved law and regulations of Islamic republic of Iran with bellow specifications:

- Being able to search in text and title of laws
- Full text of laws is accessible

6- Energy Terminology Database: It is a comprehensive Energy Terminology, Words and Terms related to energy in both English and Farsi, with bellow abilities:

- Searching meaning by words and terms
- Displaying diagrams and image related to terms with the reference

4-1-3- Iran Proposal for Exchanging Energy Information among D-8 Member Countries

The objective of exchanging energy information and setting up of Database for experts and energy institutes is cooperation for exchanging Knowledge and Experience for improvement and development of energy issues in each country. Exchange of energy information between participating countries should be done in the following issues:

- Energy business
- Development of databank on companies and experts active in energy and related issues
- Energy balance
- Exchange of energy experts
- Exchanging library information
- Books, journals, patents, thesis, newsletters as well as films and software.
- Exchange, share and present energy information via Internet
- In the field of Database development, the following issues have to be considered:

- Database will be established, developed and updated in each country
- Same logical data model (database structure and format).
- Same logical Database (physical database can be different like oracle, SQL server)
- Same Application for interface between all countries database.
- Non-dependency on operating system (Windows, Linux...) and databank (Oracle, SQL, Access...)
- Database should be accessible at the same time in the fastest and easiest way to participants
- Database can be designed with cooperation of technical groups of member countries.
- Each country is responsible for collecting and updating information and installation (hardware & software) of database.

After presentation on EIC, the chairman asked the D-8 delegates to explain whether they have any center for energy information and each delegate briefly introduced the energy information centers and institutions and organizations concerned with collection of data on energy.

4-2- Second Technical Session

To exchange ideas on how to set up an “International Energy Institute for Training & Research “ for development of human resources, the second technical session was held on the second day of the meeting. Chaired by Dr.Karbassi, I.R. of Iran, two presentations took place as follows.

4-2-1-Institute for International Energy Studies (IIES)

Institute for International Energy Studies (IIES) started its activities as one of the Ministry of Petroleum affiliates in 1991. Implementing research studies and projects with the aim of supporting policy making processes in the field of energy, particularly oil and gas, are considered major missions of IIES. IIES undertakes a wide range of activities as follows:

- Research on international energy markets and energy economic issues
- Exchange of scientific findings with other international institutes
- Promoting technical knowledge of middle managers and employees of oil and gas industries

To this end, IIES has invited more than a hundred local and foreign energy experts, engineers,

economists, and political economists. IIES information center and library has established strong links with other local and international research centers.

Benefiting from its potentials, IIES attempts to make contributions to the achievement of the country's development goals through organizing short-term and long-term training courses and implementing scientific and research projects. IIES research groups completed 88 research projects and studies.

IIES has arranged and run several short-term training courses. Furthermore, the institute recognized by the Ministry of Science, Research, and Technology as a center for higher education succeeded to run a masters' course on energy economics. The graduates of the aforementioned course are working in different organizations of the Ministry of Petroleum and other energy companies.

IIES constantly organizes a wide range of short-term training courses and workshops as follows:

- Energy conservation and energy optimization
- Economics of oil upstream
- Economics of oil companies restructuring
- Training courses for journalists
- Evaluating energy projects
- Derivatives and Risk management in oil markets
- Refining workshop
- Energy modeling workshop
- Workshop of Derivatives and Risk management in oil markets
- Energy master planning workshop
- Several seminars and meetings on energy economics

4-2-2- Iran Energy Efficiency Organization (IEEO)

IEEO was established in 1996 as government-cum-private Company. In 2000 as a government Co. affiliated to Ministry of Energy and in 2002 as a government company was affiliated to TAVANIR.

The purpose of IEEO establishment was:

- Promotion of energy efficiency in all energy sector (excluding transport)
- Preservation of natural resources

- Reduction of emissions from energy sector for betterment of environment and global warming combat

- Reduction of energy consumption by home appliances

With a total of 80 employees which will reach to 93 by the end of the year 2005, IEEO is composed of the following departments:

- Technical & Research
- Education & Awareness
- Environment
- Energy Conservation Laboratory
- Note 12
- Regional Offices (in 6 major provinces)

Evaluation of IEEO activities indicates the following yearly savings:

- 700 thousand barrel of oil equivalent through education and awareness activities in just 60 factories (90 more factories are under investigation)
- 350 thousand barrel of oil equivalent through no & low cost measures provided by department of Technical & Research in 24 factories (176 more factories are under investigation)
- 370 thousand barrel of oil equivalent through activities of department of Note 12
- 1.5 million barrel of oil equivalent through labeling activities

Nearly 3 million barrel of oil equivalent energy has been saved (almost US\$ 90 million). IEEO goal is to save 20 million barrel of oil equivalent/year in the next five years (4th five year socioeconomic

plan) which is equal to 7 days oil export capacity of the country.

4-4-2-1- Grounds for Mutual Cooperation

- Exchanging experiences in the field of energy auditing
- Exchanging experiences in the field of education and awareness
- Exchanging experiences in the field of setting up energy laboratory
- Exchanging experiences in the field of various means of incentives for promotion of energy efficiency activities such as Note 12

- Exchanging experiences in the field of environmental aspects such as site selection by GIS

4-4-2-2- Proposed chart of cooperation

5- Meeting Statement

At the end of the meeting, a brief report of the meeting was prepared by draft committee. At the end of the meeting the delegates took the following decisions/recommendations which would be tabled to the forthcoming D-8 Council of Ministers Meeting:

1. The delegates agreed on the need to have a uniform format for database of energy experts and institutions and mandated Iran to handle the matter and make available the proposed format to other members in two months for their inputs and subsequent adoption.
2. The delegates observed that there is need for member nations to optimize their per capita energy consumption while ensuring economic viability and ecological sustainability. Environmental concerns should be taken into account in all stages of the Energy chain within the framework of sustainable development.
3. There should be restructuring and reform of the energy sector of the member nations to increase private sector participation, productivity, and efficiency as well as to enhance technology transfer amongst member nations.
4. There should be intensified efforts on R&D in energy technology.
5. Energy efficiency and conservation should be an integral part of our energy Programs and member nations are requested to share their experiences in this regard.
6. Renewable energy technologies should receive particular attention in the energy mix of member nations.
7. It was agreed that the D-8 Energy Experts meeting should hold annually and the hosting to be rotated amongst the member nations. It was also agreed that the venue for the next meeting that is of 2006, would be decided by the D-8 Council of Ministers.
8. Member nations should develop suitable decision models to simulate the future of optimum energy flow and to minimize the total cost of energy supply among them.
9. The establishment of “D-8 Energy International Institute for Training and Research” as proposed in the first expert meeting in Abuja is re-emphasized. Iran is supposed to modify

its proposal in line with inputs of delegates. Thereafter Iran was to send the revised proposal to member nations.

10. It is recommended that a representative from the D-8 secretary attend the working group meetings.

11. It is recommended that special sub-committees to be organized to follow up the decisions of this meeting especially to identify the areas of cooperation among member states as regards energy efficiency, renewable energy, energy trade, energy research and training center, and energy database.

12. The warm hospitality granted by Iran, to the delegates, was gratefully acknowledged.

**Report of the
Seminar on Prospects of Shipping**

Karachi, Pakistan

20-21 April 2005

SEMINAR ON PROSPECTS OF SHIPPING IN D8 COUNTRIES

RECOMMENDATIONS OF THE WORKING GROUP

The Delegates of the D-8 countries met at Karachi at a Seminar on 20-21 April 2005, in compliance with the resolution of the D-8 countries at the Dhaka meeting 2000, desiring setting up of the Shipping Business Forum.

Delegates from Egypt, Iran, Turkey and Pakistan attended the Seminar.

Apart from the Country papers, a number of papers were presented dealing with many relevant issues in the maritime field and concerning equally the D-8 countries. The deliberations at the Seminar, keeping in mind the larger objectives for setting up the D-8 group, were considered by the delegates in making the following recommendations:

1. Delegates support the setting up of a D-8 Shipping Business Forum and recommend that proper infrastructure be set up, initially with establishing a dedicated desk to follow through the recommendations and proposals placed before it and in the future. Pakistan offers its facilities at the Ministry of Ports & Shipping at Karachi for setting up the proposed desk.
2. The Forum should deal with all maritime issues, ship-owning, ship operating, ports terminals, cargo handling, education, training and all allied sectors. To this effect it is recommended that the name of the Forum be renamed as "Ports & Shipping Business Forum".
3. In order to improve the total environment for development and cooperation in the maritime field it is recommended that D-8 countries adopt the general policy of facilitating ship owning and ship operations in their countries. In this regard D-8 countries need to harmonize their laws with one another. The best way to do that will be to accept and ratify major IMO and Transport Conventions and to bring their domestic laws in harmony with one another.

4. D8 countries should encourage mutual cooperation by promoting familiarization and exchange visits to one another's maritime facilities so as to get a better understanding and promote cooperation.
5. The Delegates recognize the existing educational and training capacity of D8 countries and recommend that the Group encourages and facilitates the utilization of one another's facilities and institutions by their staff, academics, students and trainees.
6. The Delegates also recommended that the group utilizes one another's skilled human resources, particularly seafarers, where needed in preference to non-D8 countries.
7. The Delegates recognize and recommend the need to liberalize visa regimes within the Group to facilitate seafarers to join and leave ships in D-8 ports. In this regard they recommend that the Agreement on the Simplification of Visa Procedures for D-8 Businessmen should also include and provide for seafarers as priority.
8. The Delegates recommend that the concerned ministries and departments in each of the D8 countries should send to the proposed desk of Ports & Shipping Business Forum biannually the statistics of maritime data for trade, ports and shipping within the Group. The Delegates further recommend that the D8 should promote the transfer of technology relating to shipping and maritime transport industry between one another.
9. The Delegates recommend that the D8 should analyze and formulate ship owning rules and regulations within the D-8 Group with the purpose of encouraging cross-registration of ships.
10. The Delegates recommend that the D8 should unite and coordinate their opinions, policies and strategies of the D8 countries in international and regional conferences, associations, unions and other fora pertaining to maritime and transport activities.
11. The Delegates recommend that the D8 countries should provide MFN treatment to one another's vessels, ports and trade.
12. The Delegates recommend that the D8 members should formulate policies for reducing tariff barriers among member states and repealing outdated and obstructive laws and regulations.

13. The Delegates recommend that the D8 endorse the decision of the Chamber of Commerce, Industry and Business Association of D8 Group to provide identical treatment to both private and national shipping companies to ensure that there is a level playing field.
14. The Delegates recommend that the D8 should lobby internationally to eradicate unfair practices against D8 seafarers.

Karachi
21st April 2005

**Report of the
Working Group Meeting on Industry**

Tehran, Iran

27-28 June 2005

Report on the
Working Group Meeting on Industry
27-28 June 2005 Tehran

Introduction

D-8 Working Group Meeting on Industry was held on June 27-28, 2005 at Tehran, Islamic Republic of Iran. The meeting was coordinated by Ministry of Industries and Mines in liaison with Ministry of Foreign Affairs.

Delegates from Indonesia, Iran, Malaysia, Nigeria, Turkey and representatives from the embassies of Egypt, Bangladesh and Pakistan attended the meeting. List of the participants is attached hereto.

Opening Ceremony

The opening ceremony was commenced with recitation from Holy Quran. H.E. Dr. Navab, Deputy Minister for Economic and International Affairs of Industries and Mines of Iran addressed the Opening. Mr. Modarresi, Senior Advisor to Deputy Minister for Economic and International Affairs of Ministry of Industry and Mines chaired the session.

Country Reports

The country reports were presented by delegates from: Indonesia, Iran, Malaysia, Nigeria and Turkey on the industrial situation and development in their respective countries.

Technical Session

The technical session was held on areas of cooperation, which was proposed by the head of delegates and continued by exchange of ideas and views about proposals among participants.

The following areas were specified by the participants for future cooperation:

Indonesia: Food Processing, Textile, R& D and Technical Assistance support,

Iran: Automotive, Machinery, Food Processing, Textile, Agriculture Machinery (irrigation equipment), Aviation and Petrochemical.

Malaysia: Food processing (halal food), Standards and Packaging, Automotive Components (out sourcing), Textile and Apparel, Machinery and Equipment, Rubber, Electrics and Electronics and Wood Based Products.

Nigeria: Power Sector (Nigeria planed to increase the present installed capacity of 6000MW to 30000 MW by the year 2007), Petrochemical, Metal and Mining and Textile.

Turkey: Motor Vehicle, Textile and SMEs Training.

Decisions:

At the conclusion of the technical discussion, participants agreed on the following areas of priorities for D-8 cooperation in industry sector. Also countries undertook to produce reports on their proposal for further deliberations.

- Producing Terms of Reference of the Working Group for future Industrial Cooperation (Malaysia, Indonesia)
- Agriculture Machinery (Iran)
- Metal and Mining (Iran, Nigeria)
- Textile (Indonesia, Turkey, Malaysia, Nigeria)
- Power Sector (Nigeria, Iran, Turkey)
- Food Processing (Malaysia, Turkey)
- Mutual Recognition of Standards (Malaysia)

For identifying industrial potentials and needs of the member countries, it was agreed that:

- Within 2-month time, each country, which proposed topic for cooperation, would prepare a pre-feasibility study report (on the

above mentioned subjects) with the cooperation of other volunteer members.

- The reports will be sent to the office of Executive Director and then it will be distributed among the members.
- Within 2-month from the time that report is distributed, the members have to respond officially.
- The Office of Executive Director is in charge of collecting the member's ideas and sending them to the High Rank Level Commission.
- The HRLC will adopt the Term of Reference and fields of cooperation in accordance with D-8 rules and procedures.

The next meeting will be held within one-year time. Following alphabetical order, the group suggested that the next meeting to be hold in Malaysia. It is expected that within 3-month time the concerned authorities of Malaysia will confirm the same.

Indonesia welcomes the next WG Meeting on industry in 2007.

**Report of the
Meeting of D-8 Central Bank Officials**

Bali, Indonesia

1-2 September 2005

Report of
Meeting of Developing Eight (D-8) Central Bank Officials
Bali, 1-2 September 2005

1. The Government of the Republic of Indonesia hosted the Meeting of Developing Eight (D-8) Central Bank Officials in Bali on 1-2 September 2005. The meeting was presided over by Mr. Sjamsul Arifin, Director of International Affairs, Bank Indonesia. The Meeting was attended by Central Bank Officials from Bangladesh, Indonesia, Iran, Malaysia, Pakistan, and Turkey. The list of delegates is attached as **Annex I**.
2. In his opening remarks, Mr. Sjamsul Arifin emphasized that the meeting was important to discuss ways and means to enhance cooperation among D-8 countries. Central Bank cooperation would also be beneficial for D-8 member countries as a forum for exchange of views and experiences so as to derive benefit while minimizing the adverse effect of economic integration and globalization. He also noted that enhanced cooperation among D-8 Central Banks was in line with the objective of other areas of cooperation of member countries, such as trade, industry and agriculture. The text of his opening remarks is attached as **Annex II**.
3. Ambassador Ayhan Kamel, Executive Director of D-8, was unable to attend the meeting. However, he sent his written message which was read out in the meeting by Ms. Linggawaty Hakim, Director of Non-UN Economic, Financial and Development Cooperation, Ministry of Foreign Affairs of the Republic of Indonesia. In his message, the Executive Director emphasized the importance of conducting the meeting as a good basis for discussion in line with the objectives and scope of cooperation among the D-8 Central Banks as well as various activities undertaken in the areas falling within the competence of the Central Banks. The text of his message is attached as **Annex III**.
4. The agenda of the meeting was adopted and attached as **Annex IV**.
5. Each delegate made country presentation on issues relating to the area of responsibilities which included monetary policy, banking supervision and regulation, and payment system. The presentations were followed by discussions on different roles and responsibilities of each Central Bank in D-8 countries. During the discussion several delegates raised the issues of microfinancing, Islamic banking, trade facilitation, external debt management, and export financing scheme based on various existing models. Country presentations are attached as **Annex V**.

6. Extensive discussions took place during the deliberation under Agenda Item 5 on how to find the most effective and efficient ways and means to enhance central bank cooperation among the D-8 countries. Many ideas, views and suggestions were expressed by delegates on how to identify potential future cooperation among D-8 Central Banks.
7. Following a lengthy discussions, it was agreed that areas of cooperation would cover activities those fall under common responsibilities of D-8 Central Banks. In this regard, D-8 Central Banks might strengthen cooperation in areas of Central Bank's main responsibilities, such as:
 - a. Monetary policy to achieve price stability;
 - b. Banking supervision and regulation; and
 - c. Payment system.
8. In addition, D-8 Central Banks might also promote, on voluntary basis, cooperation of common interest to achieve higher economic growth in areas including, but not limited to:
 - a. Islamic banking and finance;
 - b. Facilitating trade among D-8 countries;
 - c. Microfinancing;
 - d. Debt management; and
 - e. Anti Money Laundering Surveillance.

Cooperation might be conducted through various means, such as enhancing communication network and the provision of D-8 Central Banks data linked to D-8 Website, exchange of information and experience, as well as capacity building of D-8 Central Banks officials and related authorities of member countries.

9. As to the institutional arrangement for such cooperation, it was considered that a permanent forum was not required, and member countries agreed to conduct meeting of D-8 Central Bank officials as and when deemed necessary. It should not be on regular basis but could be held on the sideline of other meetings such as IDB, ADB and IMF/WB. Any new initiative taken by any member country should be initially informed to the Coordinating Unit of D-8 through the respective D-8 Commissioner. Recognizing that some of D-8 Central Banks assumed other specific tasks, in addition to some common roles, participation of Central Banks in such an initiative should be on a voluntary basis.
10. The meeting took the advantage of the presence of D-8 Central Bank officials to discuss two pending Articles on the D-8 Draft Preferential Trade Agreement (PTA), namely Article 19 regarding "Transfer Payment" and Article 21 regarding the "Balance of Payment Difficulties".

11. Delegates expressed their views and comments on the two Draft Articles. On Article 19 regarding the "Transfer of Payment", delegates agreed in principle that it should be in conformity with Article VIII of the IMF's Articles of Agreement. Most of the delegations were in favour of deleting paragraph 2 and 3 of Article 19 where as some other delegations were in favour of keeping the Article intact.
12. On Article 21 regarding the "Balance of Payments Difficulties", most delegates agreed that it should be in conformity with the BOP Safeguard clause of the WTO regulation. However, the meeting took note of the concern of one delegation who is currently not a member of WTO that adopting such measure of WTO in the Draft PTA might create difficulty in future process of ratification by its Parliament. Another delegate suggested that Article 21 be simplified as appears in Annex VI of this Report.
13. The meeting recommended that the forthcoming HLTO meeting considers the views and opinion of Central Bank officials on the two Draft Articles for further formulation and finalization of the draft PTA.
14. Delegates expressed their appreciation and gratitude to the Government of the Republic of Indonesia for hosting the Meeting of D-8 Central Bank Officials.
15. At the closing session, the Chairman, Mr. Sjamsul Arifin, made his closing remarks by thanking all delegates for taking part actively in the meeting. He also reiterated the need to continue to work together and strengthen D-8 Central Bank cooperation, to contribute to economic development of D-8 member countries.
