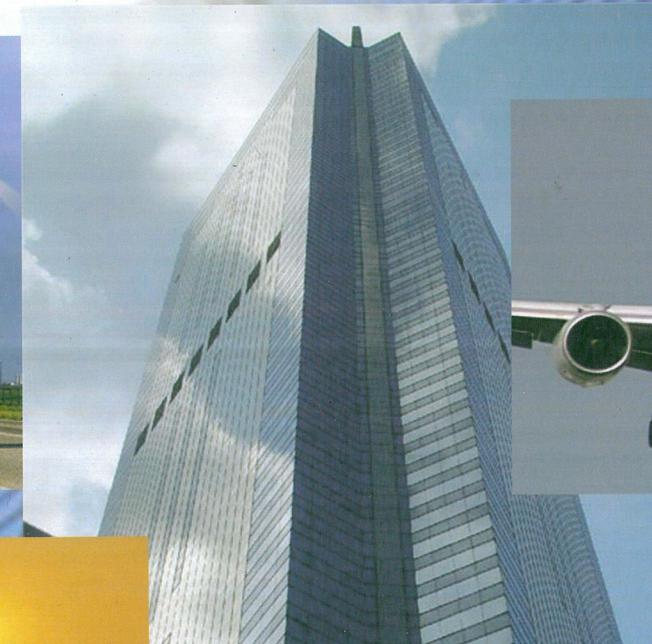




## D-8 Organization for Economic Cooperation



D-8 Organization for Economic Cooperation

2006-2008



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## Reports of Official D-8 meetings Between 5<sup>th</sup> and 6<sup>th</sup> Summits 2006-2008

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# **6th Summit**

**Kuala Lumpur  
8 JULY 2008**

D-8 Secretariat, Istanbul  
November 2008



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## **STATEMENTS BY HEADS OF DELEGATION**



**STATEMENT**

**BY**

**DATO SERI' ABDULLAH AHMAD BADAWI**

**PRIME MINISTER OF MALAYSIA**



OPENING ADDRESS BY THE HONOURABLE DATO SERI' ABDULLAH AHMAD BADAWI  
AT THE SIXTH SUMMIT MEETING OF THE D-8 KUALA LUMPUR,  
8 JULY 2008  
MEETING GLOBAL CHALLENGES THROUGH INNOVATIVE COOPERATION

Their Excellencies  
The Heads of State and Government,

His Excellency Dr. Dipo Alam,  
Secretary General of D-8

Excellencies, Ladies and Gentlemen

I am very happy and pleased to welcome Your Excellencies to Kuala Lumpur for this gathering of the D-8. Your presence demonstrates your commitment to continue strengthening the cooperation between us through this initiative in which we have called ourselves the Developing Eight.

Excellencies, Ladies and Gentlemen,

2. We are meeting at a time when the world economy is facing grave threats to its wellbeing as a result of a combination of unprecedented circumstances. The price of oil has skyrocketed to levels never anticipated by the strategists and economic planners. The price of food has increased beyond the normal abilities to pay by the poor, which form the majority of the world's people. And these problems have come to the fore in the midst of a serious prospect of a more general and widespread global economic recession. Our peoples in the D-8 group of countries will be among those feeling the greatest pains arising out of the current international economic downturn. We need to brace ourselves, identify the right policies and take the correct steps to lessen the sufferings of our citizens, particularly those in the lower income categories.

3. No doubt, each of us will be doing the best we can for our respective countries. But our individual efforts will carry little weight towards improving the international economic situation as a whole. The global nature of the problems that I have just outlined clearly requires global-level solutions. Therefore, at this meeting, we need to achieve a consensus on the gravity of the situation and agree to send united mess to the world to state our viewpoint about the problems which now confront the international community.

Excellencies, Ladies and Gentlemen,

4. In my view, the most urgent challenge facing us is the food shortage in the world, which has resulted in the sharp increases in food prices, It is estimated that global food prices have risen by more than 75 percent since 2000. The increasing prices are definitely putting increasing strains on the family budgets, especially those of the poor households in the developing world.

5. I believe the priority which had been given by most countries, in the past, to the industrialization of their economies has resulted in much neglect of the agricultural sector. The lower level of investment allocated to this sector has caused inadequate expansion and modernization of agriculture generally, leading to inadequate supplies of food and triggering the current food crisis. In Malaysia, we have given emphasis to the development of agriculture in our national development plans and we shall continue to do so in the years to come. I think this meeting must come out with a clear message on the need to boost food production in the world. This is especially needed in the context of additional



difficulties brought about by climate change and natural disasters. There is also the danger of the food crisis creating political unrest in many societies.

Excellencies, Ladies and Gentlemen,

6. The steep rise in the price of oil is an equally urgent challenge. Besides adding significantly to the costs of food, the high price of oil itself has become an increasingly critical threat to the well-being of the global economy. There are forecasts that the price of oil could rise to as high as USD 170 per barrel by the year end, and that it could even rise further to USD 200 per barrel next year.

7. We do believe that the major oil producers have an important role to play in addressing the interrelated problem of oil supplies and oil prices. We therefore welcome their recent meeting in Jeddah to address this and other related issues. Saudi Arabia has taken the lead to pledge an increase in its production of crude. We hope the other major producers will follow that example. Increases in production are, of course, mere short-term measures. Long term solutions must be found for stabilizing the price of oil. For example, the international community can examine how the futures market might be organized to assist in stabilizing prices.

8. There must also be consensus on the appropriate methods of producing or creating alternative sources of energy. The widespread conversion of arable land to cater for the production of bio-fuels should be stopped because such action will deepen the global food scarcity and further drive up food prices. We must not allow the zeal for energy security to come into direct conflict with the basic need for food production.

9. The current crisis in food supplies and rising oil prices have forced governments to curtail expenditures or reallocate resources for development in order to meet the more immediate needs of societies. We should share ideas on how to mitigate the negative impacts of these short-term actions on the long-term requirements of sustained growth and development.

10. We must therefore identify the bold measure that we need to take now in order to guarantee the wellbeing of our economies and our peoples in the future. Maintaining a steady and continuous growth of our respective economies would be our contribution to combat the looming recession in the global economy.

Excellencies, Ladies and Gentlemen,

11. Our Group - the Developing Eight - is at a crossroad. One decade has passed since we came together with the primary objective of strengthening our economic and trade relations. Our achievements as a group have been modest, we must admit. We must seriously take stock of what we have achieved and what could have been achieved. This will enable us to decide the best way forward to build upon and add value to what we have achieved thus far. It is appropriate that we adopt, at this Sixth Summit, a new Road Map for the next decade of our cooperation.

Excellencies, Ladies and Gentlemen,

12. Malaysia decided to host this Summit under the theme "Meeting Global Challenges Through Innovative Cooperation". We do need to be innovative in identifying suitable group activities, programs or projects. I believe one important thing to do is to make concerted efforts to increase the private sector participation in our activities, programs and projects. After all, they are the real engines



of growth and development in our economies. I might add that we should also involve our civil societies wherever appropriate.

13. We must choose results oriented initiatives. In the context of current concerns, the D-8 might wish to give priority to projects in the area of renewable energy and the further development of the ha/al industry. I believe the D-8 Business Forum which had earlier discussed these issues can quickly come up with concrete and doable ventures.

Excellencies, Ladies and Gentlemen,

14. Malaysia is honoured to assume the Chairmanship of the Developing Eight, after Indonesia. We are ready to do our part to further strengthen the linkages between and among the members of our Group. With the full cooperation, support and commitment of everyone, we can attain our goals.

15. I wish to take this opportunity to pay tribute and record our appreciation to His Excellency Dr. Susilo Bambang Yudhyono, President of the Republic of Indonesia, for his dedication and efforts during his tenure as D-8 Chairman for the past two years. He has done a lot to keep the D-8 relevant.

16. I would also like to thank His Excellency Dr. Dipo Alam, the Secretary General, and his staff for their hard work and contributions to ensure the continuing success of D-8.

17. I look forward to a stimulating and productive day of discussions ahead of us during this meeting.

18. With the prayer of Bismillahirrahmannirrahim, I now declare open this Sixth Summit of the Developing Eight.

Thank you.

**STATEMENT**  
**BY**  
**H.E DR. SUSILO BAMBANG YUDHOYONO**  
**PRESIDENT OF THE REPUBLIC OF INDONESIA**



STATEMENT H.E DR. SUSILO BAMBANG YUDHOYONO PRESIDENT OF THE REPUBLIC OF INDONESIA  
AT THE SIXTH DEVELOPING EIGHT SUMMIT “MEETING GLOBAL CHALLENGES THROUGH INNOVATIVE COOPERATION” KUALA LUMPUR,  
8 JULY 2008

Bismillahirrahmanirrahim

Assalaamu ‘alaikum warahmatullahi wabarakatuh

Prime Minister of Malaysia, Datuk Seri Abdullah Ahmad Badawi,

President Mahmoud Ahamdinejad,  
President of the Islamic Republic of Iran

Prime Minister Yousaf Raza Gillani,  
Prime Minister of the Islamic Republic of Pakistan

Dr. Fakhruddin Ahmed,  
Chief Advisor of the People’s Republic of Bangladesh  
Ministers of the D-8 Member Countries,  
Secretary-General of the D-8,  
Excellencies,  
Ladies and Gentlemen,

Let me start by thanking the Prime Minister of Malaysia, His Excellency Datuk Seri Abdullah Ahmad Badawi, and the people of Malaysia for hosting this important Summit Meeting of the Developing Eight. I am honoured to be here and delighted at the warm hospitality accorded to my delegation and me.

Our first task is to review what our Group has achieved in its first decade. After that we will adopt two major documents: the Kuala Lumpur Declaration and the Roadmap of D-8, which will guide our work in the Second Decade of our Cooperation.

Our cooperation has come a long way since D-8 was founded in Istanbul in 1997. By the time we met in Bali for the Fifth D-8 Summit and Indonesia assumed Chairmanship of our Group, we had the greatest confidence in the direction we had taken. Hence, in that Summit we reaffirmed our commitment to the goals and objectives of D-8, as their attainment would tremendously benefit our peoples.

Since then, we have carried out 31 programmes and activities. Fifteen of them were hosted by Indonesia. They covered such fields as trade, micro-finance, takaful, energy, tourism, civil aviation and health.

We have also completed the formulation of a D-8 Roadmap, which states our vision and mission, objectives and goals, guiding principles, phases, and key programs. The Roadmap would provide pragmatic direction for our future work, taking into account the current realities of the world and how they impact on the welfare of our peoples.

I therefore sincerely hope that our Summit today will be able to adopt the Roadmap.

I am also pleased to inform you that the High-level Trade Officials Meeting has finally concluded their long and intensive negotiations on the Rules of Origin and Offers List. These two documents are a prerequisite to the full implementation of the D-8 Preferential Trade Agreement, which we signed at the Bali Summit.

We accomplished all of these because of the full support and cooperation that our member countries extended to Indonesia as Chair. Let me therefore take this opportunity to express Indonesia's gratitude and appreciation to all D-8 members, as well as to the Secretary General and his able staff who worked hard to ensure the success of our joint efforts.

Excellencies,

We cannot, however, rest on our accomplishments. We are facing enormous challenges. That is why the theme, "Meeting Global Challenges through Innovative Cooperation" is very appropriate. The first challenge that we must confront is that of globalization. It is true that globalization promotes integration and promises huge gains for nations that are competitive. But it is also true that globalization has marginalized many developing nations. The only way we can escape marginalization is to catch up and effectively compete—by working more vigorously together among ourselves, with international institutions and with our developed partners.

We must therefore undertake the following:

First, we the D-8 countries have to be more proactive and innovative in our programmes and activities. We have to make optimal use of our resources: we have a combined population of more than 900 million—that is a huge market for the products of our individual members.

That is also a huge labour pool that can be made even more valuable by a judicious effort at human resources development.

And our countries are blessed with abundant and diversified natural resources.

With these resources we should be able to contribute substantially to the global economy and to the eventual conquest of poverty.

Second, we have to enlist our private sectors in a robust effort to promote investment cooperation among D-8 countries. We just have to create more opportunities for our traders and entrepreneurs to meet, explore possibilities and strike up mutually profitable arrangements. And while they are doing these, we can coordinate policies on incentives and facilitation.

Third, we need to close or minimize the economic gap among D-8 countries. For this purpose, we have to enlarge our intra-trade and strengthen partnership for development amongst ourselves.

Excellencies,

Perhaps even more urgent than the challenge of globalization is the challenge of food and energy security. There is no quick-fix that will sweep aside this challenge. But we must act on it at once and in concert. To delay concerted action on this great challenge of our time is to court disaster.



The Food and Agriculture Organization points out that since the mid-1970s rice stocks have been predicted to fall to very low levels, while the price of rice continues to escalate at a rate that burdens all rice-producing as well as rice-importing countries. This means that more people in the developing world will have less to eat: many will go from hunger to starvation.

That is why we have to find a solution to this problem of food scarcity. The least we can do in our respective countries is to strive for national food self-reliance that will support the domestic economy and meet the food requirements of the peoples.

The rising price of crude oil, the scramble for alternative sources of energy, and the threat of global warming have compounded the food crisis. The surge in oil prices has adversely affected most countries. Many developing countries are reeling from its impact. Higher transportation costs lead to higher food prices. Some developed countries have even shifted away from food production to raising bio-fuel crops. The idea is to reduce greenhouse gases and to wean themselves away from dependence on fossil fuels. It is not a good idea: it has only worsened the global food crisis.

These are but a few of the challenges we must grapple with. I am confident that we can cope with them and eventually overcome them—if we are faithful to our commitments and if we have the support of a strong secretariat.

Excellencies,

I am optimistic that the envisioned D-8 permanent secretariat will ensure the full implementation of D-8 key programs, as stipulated in the D-8 Roadmap.

And I do believe that under the able Chairmanship of Malaysia, D-8 will continue to move forward in pursuit of socioeconomic development for our peoples.

Thus I am distinctly honoured to hand over the chairmanship of D-8 to His Excellency Datuk Seri AbdUllah Ahmad Badawi, the Prime Minister of Malaysia, and to congratulate Malaysia as the new Chairman of D-8 for the period of 2008 — 2010.

I thank you.

Wassalaamu ‘alaikum warahmatullahi wabarokatuh Kuala Lumpur,  
8 July 2008

PRESIDENT OF THE REPUBLIC OF INDONESIA  
DR. SUSILO BAMBANG YUDHOYONO

**STATEMENT**  
**BY**  
**DR. MAHMOUD AHMADINEJAD**  
**THE HONOURABLE PRESIDENT OF THE ISLAMIC**  
**REPUBLIC OF IRAN**



**STATEMENT BY H.E. DR MAHMOUD AHMADINEJAD THE HONOURABLE  
PRESIDENT OF THE ISLAMIC REPUBLIC OF IRAN**

Statement by H.E. Dr Mahmoud Ahmadinejad,  
The Honourable President of the Islamic Republic of Iran  
At the sixth Summit Meeting of the D-8  
Kuala Lumpur,  
8 July 2008

In the Name of God, the Compassionate, the Merciful

Oh Lord hasten arrival and insure good health and victory of your representative include us in ranks of his followers, companions and those who willing to lay down their lives for him.

His Excellency Dato' Seri Abdullah Ahmad Badawi, the Honorable Prime Minister of Malaysia, the Honorable President and high ranking delegates.

Ladies and gentlemen,

I pray and thank God the Almighty for giving me this opportunity to be among this gathering once again.

At the outset, I would like to thank and appreciate for the valuable efforts and sincere hospitality of my brother H.E. Dato' Seri Abdullah Ahmad Badawi and the people of Malaysia as well as the efforts of my brother H.E. Yudhoyono during his Presidency of the D-8.

Honorable colleagues and distinguished audiences,

The fact is that injustice existing system in international relation has completely lost its efficiency and has not been able to solve the problems, challenges and to strengthen world peace and security as well as helping for welfare of the world people even though in many cases has been the creator of these problems.

The 60 years question of Palestine, the bitter various crimes, massacring women and children, displacing of millions, and occupation, has remained unsolved questions.

The territory of Iraq still is under occupation by occupiers, thousands of people have been killed, millions of people have been displaced and backwardness of Iraqi from the path of progress and advancement are the consequences of occupation. Insecurity in Afghanistan in the recent years, extensive production of narcotic drugs, no attention to the rights of Lebanese people, continuation of arms race, stock-piling of MDW, spreading shadow of atomic weapons, exerting pressure by bullying powers to other states in order to impose their will to them maintaining military bases and developing these bases in different countries, violation of rights of freedom of the recognized norms of human being. Through exerting special controls and establishing secret jails and etc are the evidences of inefficiency of existing of international relations norms.

It is obvious that the International economic order also has reached to an impasse unprecedented increasing of the food prices and other essential commodities, sharp deprecation of US dollars and consequences of that devaluation of foreign currencies reserves increasing in oil prices gas dispute the fact that production is more than consumption of the market.

Heavy strike on production of agriculture production in many countries due to traffes mechanism, drought years due to non observance of environment regulations and spread of poverty in the world, all these problems are significant example of inefficiency of the international economic system. On cultural aspect all nations are facing with big challenge like endangering their culture values, endangering the foundation of family as a main unit of communities and ethnics as well as endangering their national identities.

Excellencies,

All challenges or most of them and afore said problems are as a result of parting dome erring powers from justice, rule and rights, friendship and brotherhood. Since most of organizations and international norms are based on secularism and being far from divine human values as well as some superior powers getting advantage of these circumstances to imposed their will so it is out of expectation that these organizations systems to solve problems based on justice, rule of rights and affections to human being.

Excellencies, distinguished audiences,

In such environment the common development of multilateral cooperation would be as a solution for facing problems and challenges. The D-8 group based on its very existing philosophy and its main objective for its establishment should play more constructive and effective role in synergy act for increasing potentials of member countries as well as solving problems and challenges in regional and international development.

While despite useful measures comprehensive efforts made up to now by member countries there has not been expected use of this huge capacity, scientific, economic, political and cultural potentials of D-8 are exist at high level and they should be at the services of world order reforms as well as economic, scientific and technical progress of the member counties, Islamic world and other nations.

Comprehensive close and extensive cooperation and activities of member countries in framework of the D8 can play important role for expansion of economic stability and reducing the impact of shock caused by economic financial crisis as well as being secure from consequences of unjust domineering system and increase the influence of the members in global market and economy.

Dear colleagues, distinguished participants,

Based on divine traditions, domineering power will fall down and evidence of that are now clearly manifested.

They are in full impasse and there is no way for them to go out of this situation. We should program for the future world free of hegemonic powers.

D-8 members with full cooperation and consultation can prepare road map to pass the crisis in front of their brotherly and sincerely based on common to take great steps in line of strengthening peace and brotherhood in the world.

The D-8 would be the bearer of justice, friendship and peace in the world also to introduce a paradigm of justice and peaceful activities to universe.



The I.R. Iran in this direction is fully ready for any type of cooperation, in the areas such as economic, financial and fulfilling projects on environmental issues, tourism, new and better technologies, producing energy, exchange of expertise and regulating financial market within frame works of the D8. The I.R. Iran by supporting preparation adopting the outlook plan for the next 10 years of the D8 as well as supporting the secretariat offering following proposals:

- 1- Establishment and development of investment institutes such as establishment of financial fund for implementation of joint projects in different areas like as industry new technologies and agriculture.
- 2- Establishment of institute for cooperation on energy sector in order to use the potentials of the other member countries.
- 3- Expansion of cooperation in the field of Islamic Banking in order to help growing sustainable progress of the member state as well as establishing new banking system beside the existing systems.
- 4- To use the technical & engineering services of each others on reciprocal basis by establishing working group for preparing encyclopedia of the potentials and requirement of the member countries and introducing financial and legal mechanism in direction of utilization of these potential ties in.

In conclusion, I would like to thank you once again to my brother H.E. Yudhoyono, the Honourable President of the Republic of Indonesia for good will effect that he made during his presidency of the D8 and also to congratulate to H.E. Dato' Seri Abdullah Ahmad Badawi who is taking over the new presidency of the D8 and I wish ever success for him to proceed the disered objective of the Group on well as praying to the Almighty God for the progress and prosperity of all Governments and people of the member countries.

**STATEMENT**  
**BY**  
**MR. ALİ BABACAN**  
**MINISTER OF FOREIGN AFFAIRS OF THE**  
**REPUBLIC OF TURKEY**

**STATEMENT OF MR. BABACAN MINISTER OF FOREIGN AFFAIRS OF THE REPUBLIC OF TURKEY**

**STATEMENT OF H.E. MR. AU BABACAN MINISTER OF FOREIGN AFFAIRS OF THE REPUBLIC OF TURKEY**

at the Sixth Summit of D-8  
(8 July 2008, Kuala Lumpur)

Mr. Chairman,

Honorable Heads of State and Government,

Distinguished Ministers,

Secretary General,

Ladies and Gentlemen,

Let me first say that Prime Minister Erdogan very much regrets not being able to attend the Sixth Summit of D-8 due to unforeseen commitments. He has asked me to transmit his warm greetings to you, Mr. Chairman, and to all participants.

I would also like to express my deep appreciation to you, Mr. Chairman, for the warm hospitality extended to us since our arrival, as well as for the excellent arrangements made for this important meeting.

Since the founding of D-8 in 1997, Turkey has attached great importance to the cooperation between its members. We remain committed to the goals and objectives of the Istanbul Declaration which forms the basis of our cooperation.

As you would all recall, we exchanged at that time our views regarding global economic developments and their effects on our countries.

As we all concurred then, poverty in the world may only be eliminated by improving conditions for all. In order for our economies to have sustainable competitiveness and to avoid barriers in the process of integrating into the world economy, we need a stable international macroeconomic environment. We have to comply with the principles of an open market economy. Furthermore, industrialization, human resource development and constructive partnership between public and private sectors continue to be the essential requirements of economic development.

Eleven years ago, while founding the D-8, we came together around the common goals of strengthening our economies and improving the welfare of our peoples. We decided to achieve these goals through cooperation and by our vast natural and dynamic human resources. Our main objectives continue to be the same.

In this context, while Turkish exports to the D-8 countries in the year 2000 amounted to 806 million US Dollars, by the year 2007 this figure more than tripled and reached 2.9 billion US Dollars. The imports in the year 2000 amounted to 1.7 billion US Dollars and by 2007 increased more than six fold



and reached 11.1 billion US Dollars. By absorbing such large quantities of imports we, as Turkey, also contributed in our joint development.

Mr. Chairman,

Honorable Heads of State and Government,

Distinguished Representatives,

D-8 cooperation has a different structure from the existing international bodies or organizations. It evolved and matured since its inception. Although geographic distances between our nations might be considered as a disadvantage for realizing planned activities and producing further concrete projects, our political will for the enhancement of D-8 cooperation is strong enough to overcome these physical barriers. Moreover, by utilizing the means offered by technology and the information age, we can diversify and enhance our activities within the D-8. Our efforts towards making best use of the potentials of our countries will bear fruit to the benefit of the peoples of D-8.

The importance of economic and trade cooperation has increased in the face of intense international competition and the speedy transformation process in every sector that we are witnessing today. It is necessary for the member states to continue effective cooperation through long term policies. D-8 is a good platform of discussion about the transformations in the world economy. In this context, we have to pay attention to the recent food and energy crises. They are adding urgency to this process.

I have no doubt that specialized institutions in our respective c will continue to have an increased interest towards the activities of D-8. And I believe they will continue to present new projects aimed at intensifying our cooperation.

The agreement reached at the present Summit, to establish the Secretariat on a firm basis by giving it legal personality, will help it assume a more effective role. We also welcome the decision reached at our meeting on the scale of contributions to the Secretariat which is also an important step forward for our cooperation. We now look forward to the conclusion of a Headquarters Agreement between my Government and the Secretariat.

Mr. Chairman,

Honorable Heads of State and Government,

Distinguished Ministers,

We sincerely believe that the D-8 should continue to follow its objectives with patience and determination. We should attribute predominance to trade issues. It has the priority among the D-8 issues. Improved cooperation in this field will bring benefits to all.

We are all aware of the important role that trade plays in a country's economy and development. In this regard, Turkey fully supports endeavors within the framework of D-8 for the liberalization of trade and gradual removal of non-tariff barriers.

The ratification, in a timely manner, of the "Agreement on Administrative Assistance in Customs Matters" and the "Preferential Trade Agreement" (PTA) which we signed during the Bali Summit in

2006 as well as its annex on “Rules of Origin” that constitutes an integral part of the P will constitute turning points of D-8. We welcome the readiness of six members to put these texts into force. And we are sure that the remaining two members will do so in the near future.

The activities of the private sector play an important role in the development of economic cooperation. As global competition intensifies, one way to obtain a share from rising prosperity is to strengthen the private sector and to increase mutual investments. Therefore, in order to enhance cooperation and communication between our private sectors;

- organizing trade fairs and trade shows;
- promoting mutual visits between representatives of private sectors;
- and bringing together our businessmen, would be beneficial.

At this point, I would also like to draw your attention to the “Agreement on the Simplification of Visa Procedures for Businessmen”. Now, this Agreement is signed by all of the 8, but has not yet been ratified by all members. If we want to give our businessmen a positive sign, we should expedite the ratification process of this Agreement as soon as possible.

We should also continue to promote activities such as the “Business Forum” which has been organized at the margins of this Summit.

We welcome the adoption today of the road map for cooperation in our second decade. It contains concrete objectives in many areas ranging from trade to tourism, transportation etc. We hope that these objectives can be reached and must ensure that no effort is spared to that end.

Mr. Chairman,

Honorable Heads of State and Government,

On this occasion, I would like to share with you briefly some recent developments in the Turkish economy.

Turkey has achieved serious improvements in macroeconomic indicators due to fiscal discipline and prudent monetary policies in the last 5 years. As a result of the reforms our economy has also accomplished an important structural transformation.

During 2002-2007 the Turkish economy has become one of the fastest growing economies. Per capita income has reached 9,333 US Dollars. PPP adjusted figure is even higher. This is the result of policies which put at their forefront the lifting of barriers for the private sector. Total external trade volume, exceeded 300 billion USD. The economy has become much more resilient against global and domestic events.

Yet, we are aware that in order for the gains attained in recent years to become permanent, it is important to continue to implement structural reforms without interruption.

Mr. Chairman,

Honorable Heads of State and Government,

While concluding my remarks, I would like to express my sincere gratitude for Indonesia which held the D-8 Chairmanship-in-Office for the past two years and wish all the success to Malaysia as it assumes the Chairmanship- in-Office for the next two years.

Thank you.



**STATEMENT**  
**BY**  
**THE PRIME MINISTER OF PAKISTAN SYED**  
**YOUSUF RAZA GILANI**

STATEMENT BY THE PRIME MINISTER OF PAKISTAN SYED YOUSUF RAZA GILANI  
AT THE SIXTH D-8 SUMMITS  
KUALA LUMPUR, MALAYSIA  
8 JULY 2008

His Excellency Dato Seri Abdullah Ahmad Badawi,  
Prime Minister of Malaysia,  
Honourable Heads of Delegation,  
Dr. Dipo Alam,  
Secretary General D-8,  
Excellencies,  
Ladies and Gentlemen,

It is an honour for me to address this eminent and distinguished gathering. I wish to congratulate you, Mr. Prime Minister, on assuming the Chairmanship of the Developing-8. We are confident that under your able and dynamic leadership, this organization will make further progress in achieving our common objective of development cooperation.

We are thankful to the people and the Government of Malaysia for the warm welcome and gracious hospitality extended to us since our arrival in this beautiful city.

I avail myself of this opportunity to express thy deep appreciation to Indonesia for providing excellent leadership to this organization over the last two years.

Our Secretary General H. E. Dr. Dipo Alam deserves our commendation for his strenuous efforts in promoting the objectives of the organization.

Excellencies,  
Ladies and Gentlemen,

The sapling of the D-8 planted eleven years ago in Ankara, is growing steadily. Our vision in 1997, under the leadership of Turkey, was to make collective efforts for development cooperation among us. Though we are spread over in three continents, we have the bonds of affinity through close friendship.

Today, as we gather in the beautiful city of Kuala Lumpur, we renew our collective pledge and determination to build a better, peaceful and prosperous future for our people. Ours is an organization with a global reach, with abundant natural resources, and youthful population.

We are happy to see progress in promoting economic cooperation by promoting trade among D-8 countries. The signing of Agreements on Preferential Trade Agreement, Mutual Assistance in Customs Matters, and Simplification of Visa Procedures for Businessmen of Member States, are commendable steps in the right direction. Early implementation of these agreements will give impetus to promotion of intra D-8 trade, which is at present only US\$ 60.5 billion.

Today, as we enter into the second decade of D-8, it is important to review our achievements and lay down a clear roadmap for adding value to our endeavours. Let me share my views in this regard.

In the last 11 years, the D-8 has made steady progress. However, the progress achieved so far does not reflect the true potential of D-8 countries. We need to look into the challenge before us, analyse them and convert them into opportunities to the advantage and betterment of our people.

Excellencies,  
Ladies and Gentlemen,

Pakistan is committed to the success of D-8. Pakistan's trade with D-8 countries accounts for 8.14 percent of its overall trade, which is the highest as compared to the trade of other D-8 states with members of the organization. We need to do more to enhance economic opportunities that exist amongst us.

The D-8 can become a model of progress, development, cooperation and partnership. This organization has a great promise with more than 930 million people and vast natural resources. We need to build knowledge-based societies, promote human resource development, skill development, education and research, and learn from each other's experiences and good practices. We need to promote greater connectivity, people-to-people contacts, networking and linkages exploiting the opportunities rendered by the Information Age.

We have the D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation among Member States. This is a useful document containing a blue print of D-8 cooperation in diverse fields. I would like to suggest that we should prioritize areas of cooperation and focus on some selected projects with timelines and verifiable indicators for effective monitoring and evaluation. Our first and foremost priority should be the promotion of intra D-8 trade. It is in trade and not in aid that the future of the D-8 countries lies. We hope all of us will soon implement the three agreements that we have signed for facilitation of trade promotion.

Pakistan would like the D-8 to rapidly grow and become a vibrant and effective organization. In order to achieve success and move forward, we need to provide the requisite human and financial resources to the D-8 Secretariat. We support the endeavours of the Secretary General in strengthening the Secretariat commensurate with its mandate.

We welcome the association of private sector with the D-8, which will enrich our cooperation in various fields. Private Sector clearly will be the engine of growth for our countries as we move forward. The holding of Business forum on the sidelines of this Summit to deliberate on issues like biotechnology, halal industry, and renewable energy, is commendable. This offers an occasion for the private sector and businessmen of D-8 countries to interact with each other and explore ways and means to further enhance intra D-8 trade.

Excellencies,  
Ladies and Gentlemen,

The top most priority of my Government, which is democratically elected and enjoys overwhelming mandate of the people, is economic development for poverty alleviation in Pakistan. This broad objective determines our economic reform process. Pakistan's economy has shown great resilience in adverse times. We are committed to sustain the growth trend that we have experienced in the last few years. Today we have a liberalized market oriented economy with abundant opportunities for businessmen and investors. We have established special economic zones with special incentives for foreign companies to invest in Pakistan. Foreign companies are free to repatriate their profits abroad. Pakistan still offers one of the best opportunities for investment within the region, particularly in the power sector.

Pakistan is strategically located at the confluence of South Asia, Central Asia and South west Asia, with immense human and natural capital. It can serve as an energy and trade corridor for the entire

region. The wealth of our human and material resources is available to our brothers in the D-8 for enhancing mutually beneficial cooperation and integration of our fast growing economies.

Excellencies,  
Ladies and Gentlemen,

The world is facing today the menace of extremism and terrorism, which has affected our socio-economic development. Pakistan has suffered the most due to this curse. Our great leader former Prime Minister Shaheed Mohtarma Benazir Bhutto was martyred by terrorists. However, such cowardly acts will never dampen our firm resolve to fight terrorism and extremism with iron fist. We are following a multi approach in dealing with extremism that combines use of political, economic, administrative, and military measures.

Peace and stability are indispensable for socio-economic progress. We have made positive progress in recent ye in our dialogue with India. We are seeking peaceful resolution of all our outstanding issues, including the core issue of Jammu and Kashmir in accordance with the aspirations of the Kashmiri people. Pakistan is committed to peace and stability in the region. However, we are of the view that there is a need to move from conflict management to conflict resolution to achieve durable peace and security in South Asia.

Mr. Chairman,

On behalf of the Government and the people of Pakistan, I avail myself of this opportunity to assure your government and the people of Malaysia of our full cooperation in our collective efforts to achieve tangible results in socio-economic development of our people.

Thank you.



**STATEMENT**  
**BY**  
**DR. FAKHRUDDIN AHMED HONOURABLE CHIEF**  
**ADVISED GOVERNMENT OF THE PEOPLE'S**  
**REPUBLIC OF BANGLADESH**

**STATEMENT BY DR. FAKHRUDDIN AHMED HONOURABLE CHIEF ADVISER  
GOVERNMENT OF THE PEOPLE'S REPUBLIC OF BANGLADESH**

6th Summit of D-8  
Statement By Dr. Fakhruddin Ahmed  
Honourable Chief Adviser  
Government of the People's Republic of Bangladesh

Kuala Lumpur Malaysia  
Tuesday  
08 July 2008

Bismillahir Rahmanir Rahim

Mr. Chairman,

Excellencies,

Distinguished Guests,

Ladies and Gentlemen,

Assalamu Alaikum.

I feel deeply honoured to attend the 6th D-8 Summit in this beautiful city of Kuala Lumpur. Since its inception in 1997, D-8—our Group of Developing 8 countries—has crossed significant milestones in forging closer cooperation among our nations. This Summit offers us an opportunity to take stock of our achievements and assess the challenges that the Group faces today. This also provides us the momentum to formulate a plan of action for the second decade of D-8. I am truly grateful to Prime Minister Dato Seri Abdullah Badawi for hosting the Summit at this critical juncture. Allow me to take this opportunity to convey my delegation's sincerest thanks to the Government of Malaysia for their warm welcome and gracious hospitality. Let me also convey our deepest appreciation to the Secretary General of D-8 and his dedicated staff. Despite limited resources and myriad challenges, he has led the process most effectively. I also thank him for his very comprehensive and useful report.

Mr. Chairman,

Malaysia is a beacon of hope for many developing countries. It is truly an Asian Miracle and we all stand to learn from its development experience. With consistently high savings rate, investment in human resource development and sound macro-economic policies, Malaysia transformed itself from resource dependence to a knowledge-based economy. Its egalitarian development strategies ensured that the benefits of economic growth reached all its citizens. The resilience of the Malaysian economy became evident during the financial crisis of 1997 when it chose to undertake strong counter-cyclical measures. Among the crisis-hit countries, it experienced the shallowest, shortest recession. It gives me great satisfaction that the second decade of D-8 begins its journey here in Malaysia. The venue of this Summit gives our Group the right perspective to prioritise our objectives. The Developing-8 should be able to replicate the success of Malaysia, individually and collectively. Let this Summit be the turning point in our endeavours.

Mr. Chairman,

We formed D-8 to promote economic and trade cooperation among ourselves. Our goal is to create new trade opportunities, promote linkages, enhance our leverage in multilateral decision-making process and, most importantly, attain better standards of living for our people. Against these targets, we must measure our success. We must, at the same time, identify the hurdles. Let us renew our resolve and devote additional resources to attain our cherished goals.

It is encouraging that D-8 has prioritised trade as a thrust sector for growth. The current volume of D-8 intra-trade is, however, still very small - roughly US dollar 49 billion. It is only about 9 percent of the world trade. The relentless efforts of our High Level Trade Officials have already yielded some tangible results. I am confident that full implementation of the Preferential Trade Agreement (PTA) provisions will significantly boost the volume of our trade. Our model of economic cooperation must, however, strike a balance between equity and efficiency. This will set us apart from other economic cooperation frameworks. We must ensure equitable distribution of benefits and opportunities among the member-countries, taking into account the differences in our national circumstances. The full 'Recognition of needs of the Least Developed Contracting members' of D-8, as envisaged under Article-3(b) of the PTA, should be upheld in all contexts.

Tariff liberalization is only one aspect of the challenge. Our trade often faces significant difficulties due to lack of harmonization in measurement, standards and testing quality. We must make comparable and consistent efforts to reduce these non-tariff and para-tariff barriers to optimize our trade potentials. The Customs Agreement, signed by all D-8 countries, is a good step forward. We must take the necessary next step to operationalize this agreement without further delay.

Mr. Chairman,

One can hardly over-emphasize the importance of enhancing people-to-people contact. The D-8 Agreement on Simplification of Visa Procedures for businessmen and the MOU on Air Services Cooperation are two landmarks in connecting the minds and hearts of our peoples. But agreement must translate into action. And this must happen soon. I am glad to inform you that Bangladesh has just ratified the D-8 Visa Agreement, which will greatly facilitate business travels to Bangladesh from other D-8 countries. We are confident that our relations will enter a new era once these agreements become fully operational in all member-states.

In any country, business community is a prime agent of growth. Connecting our business leaders has been one of our key priorities. The establishment of D-8 Business Forum is surely one of our remarkable achievements. The Forum, I believe, will provide a useful platform for cross-fertilization of ideas, innovation and investment. It is my fervent hope that the Business forum would take up realistic projects and joint ventures to foster meaningful cooperation among the D-8 countries.

Mr. Chairman,

We have rightly identified tourism and energy as two prospective sectors for mutual cooperation. Our Tourism Ministers met in May 2008 and discussed a whole range of issues. I strongly believe that more such high level meeting will be useful to materialize the objectives of D-8. We should, however, take a structured and action-oriented approach to make all high-level consultations effective and to serve the common interests of the membership. In this context, I would like to underscore the need for strengthening the capacity of D-8 Secretariat. This is an imperative to achieve our common objectives.

Mr. Chairman,

Despite making significant strides, we are yet to realize the full potentials of D-8. The Group is yet to take full advantage of the complementarities of our economies. The synergies must be optimized. The D-8 roadmap gives us not only a sense of purpose, but also a sense of direction. But this must be complemented by a strategic and comprehensive plan of action. Let me now highlight a few key areas, which, I feel, should form the backbone of D-8 Cooperation in future:

First, the on-going energy crisis and the ever-rising price of bio-fuel make it an imperative that D-8 enhances its cooperation in the field of energy. We should collectively explore and implement capacity building programmes to ensure energy security of the member-states. Among the D-8 members, we should be able to establish innovative financing mechanisms to ensure a steady supply of reliable and affordable energy. D-8 should also strengthen its focus on renewable energy. Achieving energy security is a must if we are to realize our development potentials.

Secondly, against the backdrop of the current global food crisis, we should seriously consider creating a D-8 Food Fund to enhance our collective food security. The unprecedented price hike of food-grains is disproportionately affecting the poor in many of our countries. We need to develop mechanisms, not only to address short-term supply-side shocks but also strengthen cooperation to increase agricultural productivity. This is a must to prevent hunger and malnutrition - one of the key priorities of the Millennium Development Goals. As you are perhaps aware, Bangladesh - as the current Chair of the LDCs - urged the UN Secretary General to form a high-level Task Force to address the current food crisis. It is heartening that the Secretary General has accepted our proposal and taken prompt action.

Thirdly, while making steady progress in forging a Preferential Trade Agreement, we should, at the same time, aim at creating a D-8 Free Trade Area. It is encouraging that four members of D-8 have already concluded bilateral Free Trade Agreements. This trend should continue to include all others. While the Doha Development Round continues to elude us, we must re-double our efforts to make trade an engine of growth. We should continue to work together so that the developed countries remove their tariff and non tariff barriers against our agricultural and textiles exports.

Fourthly, we should enhance our cooperation to reverse climate change and global warming, keeping in mind that many LDCs and low-lying coastal states will be the worst victims of a climatic catastrophe. D-8 members should cooperate in regional and multilateral forums to uphold the sacrosanct principle of "common but differentiated responsibility". Cooperation amongst us is a must to ensure that the developed countries make unilateral, meaningful and unconditional commitments to reduce their greenhouse gas emissions. At the same time, D-8 should actively pursue sustainable development with special emphasis on adaptation and technology transfers. The developed countries should provide us with adequate additional resources to address climate change adaptation needs in addition to regular Overseas Development Assistance. Bangladesh stands ready to offer its own experiences in adaptation techniques and practices.

Fifthly, we should recognize the full potential of international migration to foster development. Migration, through remittances and transfer of knowledge, has proved to be a strong antidote for poverty. Opportunities for legal migration, however, remain limited because of various restrictive policies and practices in many destination countries. We should take concrete measures, and go beyond the visa agreement, to facilitate the movement of natural persons among the D-8 member-countries. D-8 should also take a common position on liberalization of Mode IV services to ease the movement of labour to the developed economies. The Global Forum on Migration and Development



offers a new platform to deliberate on these issues and we should work together in the Forum to make migration a development priority.

Mr. Chairman,

You are aware, my Government assumed office in January 2007 against the backdrop of a looming political crisis. Following our pledge and the roadmap, we are now at the final phase of political reforms to make our democracy meaningful and sustainable for our people. My government has taken significant measures to eradicate corruption, promote the rights of our people, establish rule of law, improve law and order situation and make the Government, especially the judiciary, more effective and accountable. We are working relentlessly and uncompromisingly to achieve these goals of good governance. To ensure that these reforms are irreversible, my government has already started dialogue with political parties to forge a national consensus for good governance. Bangladesh's experience, we believe, can serve as an example for many developing countries who face the challenges of democracy and governance.

In conclusion, let me reiterate Bangladesh's unflinching commitment to the principles and objectives of D-8 in promoting equitable development. We are confident that D-8 would reach a new trajectory of meaningful cooperation in the second decade of its existence.

Thank you all.

**STATEMENT**  
**BY**  
**THE EGYPTIAN PRESIDENT DELIVERED ON HIS**  
**BEHALF BY**  
**H.E MINISTER OF INTERNATIONAL**  
**COOPERATION**

**The Speech of H.E The Egyptian President  
Delivered on his behalf by H.E Minister of International Cooperation**

In the Name of God, the most Merciful and Compassionate,

Your Excellency Mr. Abdullah Ahmed Badawi, the Prime Minister of Malaysia,

Your Excellencies, the Presidents of the D8 countries,

Your Excellencies, the Heads of Governments of the D8 countries,

Your Excellencies, the Ministers and Heads of Delegations,

Your Excellency, the Secretary General, and the D8 Commissioners,

Ladies and gentlemen,

Let me start by conveying to your Excellencies the warm greetings of President Mohamed Hosni Mubarak, who was unable to participate in this summit due to pressing commitments related to the critical situation in the Middle East.

President Mubarak asked me to convey to your Excellencies his sincere wishes for the success of the Summit. The President is confident that under the wise leadership of H.E. the Prime Minister of Malaysia Mr. Abdullah Ahmed Badawi who will be presiding over the summit's discussions and deliberations, the D8 will succeed in boosting relations among its member countries, and will assume a leading role in tackling global issues. Furthermore, President Mubarak expresses his deep appreciation to H.E. the President of Indonesia Mr. Susilo Bambang Yudhoyono for his genuine commitment and dedication towards strengthening cooperation among D8 countries throughout Indonesia's Presidency of our group.

It is now my honor and privilege to relay to your Excellencies President Mubarak's message to the summit:

Excellencies, Heads of States and Governments of the D8 countries,

Egypt participates actively in this Summit with the hope and conviction that this distinguished gathering would continue to revitalize and give new impetus to our cooperation. I wish to re-affirm Egypt's commitment and willingness to support the implementation of the D8 Summit decisions and the work plans these decisions require. We do so out of the recognition of the strength of the D8 group that comprises the largest Islamic countries, in terms of population, economic capabilities and political influence. Egypt highly appreciates the Malaysian invitation to host this Summit and its commitment to attain the 1)8 goals, which we all cherish:

“Peace instead of conflict, dialogue instead of confrontation, cooperation instead of exploitation, justice instead of double-standard, equality instead of discrimination, democracy instead of oppression  
“.

Excellencies,

We are meeting today while the world is facing several challenges. The new developments of soaring food and energy prices and looming recessionary trends in the world economy no doubt, pose a serious challenge to our efforts in our respective countries to maintain sustainable development and growth rates necessary to implement national development plans as well as the millennium development goals (MDG's).

These crises embody several difficulties that are interrelated in their economic, social and environmental dimensions, and will eventually have adverse effects on all countries be it the more developed, the developing and more seriously the least developed countries.

The roots of the current food crisis go back at least three decades. We must pursue a reasoned approach to finding sustainable solutions that attract the international community's endorsement and mobilize its efforts to apply them. These solutions must seek ways and means of dealing with the widening gap between food supply and food demand.

There is an urgent need for an international dialogue among food and energy exporting and importing nations to reach solutions that foster the satisfaction of the world population's food and energy needs. I have recently — on the occasion of the Food and Agriculture Summit held in Rome — called upon FAO and international parties to launch such a dialogue without delay.

In this context, we see the need for actions at national, regional and international levels. Egypt is currently putting in place a national policy to mobilize its agricultural sector resources to improve and increase the average yield, while at the same time exploring collaboration prospects with our neighbours, especially those that share the River Nile waters. In doing so, significant contribution by the private sector as a locomotive for growth is consistently encouraged.

We believe that the D8 community should consider its response to the challenges facing us by discussing how best we can cooperate not only among ourselves but also with the rest of the world and to do so by taking into account the interests and aspirations of developing countries, as well as the diversified potentials as well as good practices of D8 member countries.

By joining the international community we signal our support of the multilateral trading system that must be fair and equitable to avert the dangers of marginalization.

Excellencies, The D8 celebrates its 11th anniversary this year. It is no doubt gaining wider acknowledgment of its role in boosting cooperation among member states, as a result of efforts made to strengthen cooperation in various areas, ranging from trade and agriculture to tourism, from energy to civil aviation, among others.

More than ever, the potential, capabilities and resources of our 8 countries need to be put in perspective in a manner that would encourage and provide vibrant mode for South-South cooperation.

Excellencies,

We need to build on past achievements. The adoption of the D8 Roadmap for 2008-2018 would serve as a guide for future undertakings, and provide a vision and framework for cooperation among our

countries. We also need to agree on a framework for monitoring and evaluating our progress such an evaluation necessitates that we set measurable benchmarks and realistic deliverables. With what has been achieved in the last few years and the outcome of the current summit I am confident that our group is on the right track.

Excellencies,

Egypt has undertaken several steps in recent years to speed up economic and social reforms and create a more conducive environment for growth, investment and development We hope that our partners in the D8 community will take fuller advantage of these reforms. Egypt is “open for business”, and we welcome investors, trade and development partners especially among this group.

To conclude, I would like to express my appreciation to the Indonesian people and government and most particularly to my dear brother H.E President Susilo Bambang Yudhoyono for a very able and productive presidency over our group. We are also grateful for the efforts of our Secretary General and his staff. My sincere appreciation also goes to the Malaysian people and government for the tremendous efforts made in preparing and hosting this Summit. Finally to my dear brother Prime Minister Abdullah Ahmed Badawi I pledge Egypt’s full support and commitment regarding successful and rewarding presidency. This concludes the President Mubarak’s message.

Thank You for the attention

**STATEMENT**  
**BY**  
**THE HEAD OF THE NIGERIAN DELEGATION**  
**ENGR. R.N.OKENWA**



SPEECH DELIVERED BY THE HEAD OF THE NIGERIAN DELEGATION ENGR. R.N.OKENWA

SPEECH DELIVERED BY THE HEAD OF THE NIGERIAN DELEGATION TO THE 6 D8 SUMMIT,  
ENGR. R.N.OKENWA, ON 8TH JULY,2008  
AT KUALA LUMPUR

Excellencies,

Distinguished Ladies and Gentlemen,

On behalf of the President, Government and People of Nigeria, I wish to express deep appreciation to the Government and People of Malaysia, for the warm and cordial hospitality extended to me and my delegation since our arrival in Kuala Lumpur.

We will also like to appreciate the way and manner Indonesia had piloted the affairs of the D8 for the past two years, which is highly commendable. It is our hope that the mantle of leadership handed over to Malaysia will witness a continuation of the momentum generated by Indonesia.

We will also like to extend our commendation of the various works done by the D8 Commission, the Council of Ministers, the Secretariat and the Business Forum paving the way towards this successful Summit.

Nigeria values the D8 as a veritable vehicle for the socio economic development of member states, through active cooperation among member states. We hereby restate our commitment to the principles and objectives of the D8.

It is however hoped that the Declaration of this Summit would ginger further cooperation among member states. We assure Malaysia of our full support and cooperation as she assumes the chair of the D8.

Excellencies, Distinguished Ladies and Gentlemen,

I thank you for your attention.

**STATEMENT**  
**BY**  
**SECRETARY GENERAL**  
**DR. DIPO ALAM**

SECRETARY GENERAL DIPO ALAM SPEECH

At The 6th Summit of D-8,  
July 8, 2008,  
Kuala Lumpur, Malaysia

Honorable Mr. Chairman, Yang Amat Berhormat Dato' Seri Abdullah Ahmad Badawi,  
Prime Minister of Malaysia,

Honorable Presidents, Prime Ministers, and Chief Advisors,

Excellencies Ministers and Commissioners,

Distinguished ladies and gentlemen,

I am deeply honored and privileged to have the opportunity to address you at the 6 Summit meeting of D-8 in this beautiful city of Kuala Lumpur. I would like to express my high gratitude to the brotherly government of Malaysia for hosting this Summit; and on behalf of the Secretariat, I would like to congratulate His Excellency Prime Minister of Malaysia for chairing our organization for the next two years. I do believe, under his able leadership and experiences, D-8 will be able to promote itself to a much higher ground.

By the same token, I would like to convey our high appreciation and profound gratitude to His Excellency the President of Indonesia, Dr. H. Susilo Bambang Yudhoyono, Chairman of the 5th Summit, for his intelligent and wise steering of the chairmanship of our organization, through an innovative and constructive approach. Without his leadership and strong support ever since May 2005, we could not have achieved our objectives, as I reported to the 25th Commission and the 11th Council of Ministers meetings.

Ever since I have been assigned as the Secretary General, under your guidance, together we have made noticeable progresses. Firstly is in institutional development of our organization, by preparing and having the Statutory Document of the Permanent Secretariat. We have developed our public relations by establishing our effective and efficient website which up to now has been visited by thousands of viewers. Secondly we have introduced our organization and initiated some potential cooperation to several international organizations, private sectors, as well as NGOs. Nowadays, some of them already participated in our activities, and offered cooperation.

Honorable, Excellencies, ladies and gentlemen, During the 5th Summit in Bali, Indonesia, it was reported that D-8 total trade was US\$ 750 billions, and the intra-trade was US 34 billions. According to recent statistics, D-8 total trade is US\$ 1.15 trillions; and the intra-trade is US\$ 60.5 billions. This figure indicates a significant progress in our economic performance. Therefore, it is quite expected that through the implementation of the Roadmap for the next decade, the share of intra-trade in our total trade would be increased, as well as trade being diversified to a desirable level among member countries.

Despite progresses made, there are also challenges to be faced. Challenges to the world economy such as the skyrocketing of oil prices and food are inevitable for D-8 to tackle as well. To face these challenges, it is not enough to solve these problems by addressing fiscal and monetary policies, but as the theme of our Summit indicates, we have to "Meet the Global Challenges through Innovative Cooperation" in international society. Under the leadership of our Heads of States, I am confident that

step by step through our constructive cooperation we will succeed in reaping the fruits of our endeavors in near future.

Finally, we need your kindly support that all agreements, including MOUs, that already signed could be implemented without delay. In this great opportunity, I and my colleagues, Director, Ambassador Kia Tabatabee from Iran; Economist, Mrs. Esen Gonen, from Turkey; and technical staff Mr. Nirwansyah of Indonesia, would like to express our appreciation, for your entrusting us to implement the Secretariat's functions and duties.

May the Almighty Allah guide me, together with you Excellencies, Heads of States, Ministers, and Commissioners to implement our goals and objectives for the benefit of Uma'h.

Thank you.

# **DOCUMENTS ADOPTED**

# **AGENDA OF THE SUMMIT**



**DRAFT AGENDA**  
**25<sup>th</sup> SESSION OF D-8 COMMISSION**  
**4 - 5 July 2008**

1. Welcoming Remarks by the D-8 Commissioner of Malaysia.
2. Handing Over the Chairmanship from the Republic of Indonesia to Malaysia
3. Adoption of the Draft Agenda.
4. Statement by the D-8 Secretary General
5. Consideration of the report of the meetings that have been convened since the 24<sup>th</sup> Session of the D-8 Commission:
  - Workshop on Financial Infrastructure Development Among D-8 Countries, Cairo, 26 Nov 2007
  - Specialised Workshop on Takaful & Retakaful Cairo, 28 Nov 2007
  - 9<sup>th</sup> Session of High Level Trade Officials (HLTO), Islamabad, 27 -28 March 2008
  - Expert Meeting on D-8 Roadmap and Statutory Documents for D-8 Permanent Secretariat, Pangkal Pinang, Indonesia, 31 March-1 April 2008
  - 1<sup>st</sup> Ministerial Meeting on Tourism, Tehran, Iran, 12-15 May, 2008.
  - 4<sup>th</sup> Working Group on Energy, Cairo, Egypt 1-2 June 2008.
  - Roundtable Discussion on Care, Support and Treatment of HIV/AIDS, Bogor, 9 – 11 June 2008.
  - 3<sup>rd</sup> Meeting of D-8 Director-General of Civil Aviation , Bali, 17-18 June 2008
6. Calendar of Events (cancelled, pending and future activities);

Pending:

- A Meeting to initiate cooperation between D-8 scientific institutions, research institutes and universities in March 2008 in Nigeria;
- A Meeting on Migrant Workers and Remittances in April 2008 in Bangladesh;
- Fourth Meeting of D-8 Working Group on Industry in April 2008 in Indonesia;
- Meeting on Islamic Finance in 2008 in Malaysia;
- Experts Meeting on Automotive Industry in 2008 in Iran.

7. Calendar of Events for 2008 -2009  
(The Commissioners are requested to propose any of the pending events or other activities to be held during this period).
8. Consideration of the D-8 Chamber of Commerce Activities
9. Consideration and adoption of the Statutory Documents for The Future Status of The Secretariat.
10. Consideration and adoption of the Rules of Origin (RoO)
11. Consideration and adoption of the D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation (2008-2018)
12. Consideration of the Draft Kuala Lumpur Declaration
13. Consideration of the Draft Agendas of the Ministerial and Summit Meetings
14. Date and Venue of the 26<sup>th</sup> Session of the D-8 Commission and 12<sup>th</sup> Session of Council of Ministers;
15. Consideration and Adoption of the Report of the 25<sup>th</sup> Session of the D-8 Commission;
16. Any Other Business;
17. Closing

## **DRAFT AGENDA**

### **11<sup>th</sup> SESSION OF D-8 COUNCIL OF MINISTERS 6 July 2008**

1. Welcoming statement by Minister of Foreign Affairs of Malaysia
2. Statement by the Minister of Foreign Affairs of the Republic of Indonesia to hand over the Chairmanship
3. Adoption of the Draft Agenda
4. Statement by the D-8 Secretary General on D-8 Activities
5. Consideration and Adoption of the report of the 25<sup>th</sup> Session of the Commission.
6. Consideration of the Provisional Agenda and Programme of Work of the Sixth Summit.
7. Consideration of the Draft Kuala Lumpur Declaration to be submitted to the Summit
8. Presentation of the Report of D-8 Business Forum
9. Date and Venue of the XII Session of Council of Ministers
10. Considerations and adoption of the Report of The XI Session of CoM
11. Any other business
12. Closure of the Meeting

## **DRAFT AGENDA**

### **6th SUMMIT OF D-8 8 July 2008**

1. Welcoming Statement by the Prime Minister of Malaysia
2. Statement by the President of the Republic of Indonesia to hand over the D-8 Chairmanship
3. Adoption of the Draft Agenda
4. Statement by the Secretary General of D-8 Organization
5. General Statements by the Heads of State/Government
6. Consideration and adoption of the Report of the 11<sup>th</sup> Session of the Council of Foreign Ministers
7. Retreat meeting of Heads of State/Government
8. Consideration and Adoption of the D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation (2008-2018)
9. Consideration and adoption of the Kuala Lumpur Declaration
10. Closing Remarks

## **KUALA LUMPUR DECLARATION**

**KUALA LUMPUR DECLARATION  
ON  
MEETING GLOBAL CHALLENGES  
THROUGH INNOVATIVE COOPERATION**

**THE 6<sup>TH</sup> SUMMIT OF THE DEVELOPING EIGHT COUNTRIES  
KUALA LUMPUR, MALAYSIA  
8 JULY 2008**

1. We, the Heads of State/Government of the People's Republic of Bangladesh, Arab Republic of Egypt, Republic of Indonesia, Islamic Republic of Iran, Malaysia, Federal Republic of Nigeria, Islamic Republic of Pakistan and Republic of Turkey met in Kuala Lumpur, Malaysia on the 8<sup>th</sup> of July 2008 for the Sixth Summit of the Developing Eight (D-8). We reaffirm our commitment to continue pursuing the goals and objectives set out in the Declarations of Istanbul (1997), Dhaka (1999), Cairo (2001), Tehran (2004) and Bali (2006).
2. We reaffirm determination of the Member Countries to preserve and promote socio-economic cooperation, peace, solidarity, mutual respect and tolerance in all our endeavours keeping in mind imperatives of environmental protection.
3. We acknowledge that during the First Decade of D-8, the world has experienced one of its most exceptional periods in terms of pressing and legitimate development challenges faced by various nations. We consider this summit as a turning point in the history of D-8 cooperation while celebrating the 10 Year Anniversary of our organisation adopting the 10 year Roadmap and other basic documents to enhance cooperation and solidarity among ourselves.
4. Taking into account the adverse effects of the current global economic crisis, we agree to enhance our efforts to coordinate our positions in various international fora and negotiations through collective measures and enhance regional cooperation to ensure continued relevance of the D-8 and promote the interests of developing countries and redouble our efforts to meet global challenges through innovative cooperation.
5. We recognise that trade is a vital area of international activity and that an equitable global trading regime, while benefiting both developed and developing countries, should take fully into account the conditions of developing countries to ensure their economic wellbeing. Therefore, we emphasize the importance of a meaningful and fair conclusion of the negotiations of the Doha Development Agenda as soon as possible.
6. We recognize that international financial and trade system is an important component of international cooperation and should be fair, transparent and non discriminatory, taking into account the differences in the conditions of developing countries, particularly in ensuring equal access into the global economy and international economic organisations. In this context we reaffirm our full support of the speedy accession of the Islamic Republic of Iran into the WTO.
7. We note with great concern the urgent need to address the current global shortage and skyrocketing prices of food items which pose a serious threat to socio-economic stability and agree to deepen our cooperation, including joint ventures and private sector involvement, to produce fertilizer, animal feed and the creation of a seed bank to ease the supply side constraints in agricultural inputs to



boost food production in short, medium and long term. We also take note of the proposal of Bangladesh for creating a D-8 Food Fund and instruct the Commission to examine it.

8. While acknowledging the vital role of energy to achieve sustainable development and growth, we note with concern the adverse effects of the spiralling oil price and call on the international community to urgently address this issue. We reaffirm our commitment to the on-going efforts in the energy sector, and emphasise the importance of collaborative efforts to enhance capacity building, transfer of technology, exploration of new sources of supply, development of alternative fuels, including renewable sources of energy, as well as peaceful uses of nuclear energy.

9. Recognizing the adverse impacts of global warming and climate change on development, we reaffirm our commitment to enhance cooperation in climate change negotiations following the Bali Roadmap to support the adaptation efforts of the developing countries, especially those of the least developed and the low-lying coastal countries and uphold the principle of common but differentiated responsibilities in mitigation of the emission of greenhouse gases.

10. Taking into account that labour migration can be an effective tool for poverty eradication and development and that migration benefits both countries of origin and destination, we reiterate our resolve to enhance cooperation and to exchange experiences concerning protection and promotion of the rights of the migrant workers, both within the context of D-8 and in other regional and global processes, including in the Global Forum on Migration and Development.

11. We acknowledge the efforts of the private sector to strengthen collaboration in the global halal industry, biotechnology and renewable energy and the potentials of Islamic banking and finance. These sectors could further contribute to our future collaboration in trade and investment.

12. We note with satisfaction the significant growth in intra D-8 trade from USD 14.5 billion in 1999 to USD 60.5 billion in 2007, representing an increase of more than 200 per cent over a period of 8 years. We firmly believe that the trade volume will further increase with the entry into force of the Preferential Trade Agreement (PTA).

13. We acknowledge the potential of the global halal industry and the progress that D-8 countries have made in its promotion and development of the halal industry and pledge our full cooperation in the development of the halal sector in Member countries. We appreciate the contribution of Malaysia in developing common standards through Halal Development Corporation (HDC), International Halal Integrity Alliance (IHI Alliance), Malaysia International Halal Showcase (MIHAS) and the offer of Malaysia Technical Cooperation Programme (MTCP) Halal training programmes.

14. Recognising that Islamic Banking and Finance has an important role to play in trade and investment in D-8 countries, we acknowledge Malaysia's initiatives as well as those of others in developing Islamic Finance and call upon member countries to foster greater understanding and cooperation in this field. We take note of the efforts to develop the Malaysia International Islamic Financial Centre as a global hub and appreciate her generous allocation of RM 200 million under "Fund for Shariah Scholar in Islamic Finance" to foster talent development and enhance research capacity.

15. We welcome the outcome of the First D-8 Ministerial Meeting on Tourism and endorse the "Tehran Declaration on Tourism Cooperation 2008" and direct the Commission to take necessary measures for its implementation.

16. While welcoming the signing by Malaysia of the Agreement on Simplification of Visa Procedures for D-8 Businessmen, and its ratification by Bangladesh, Iran, Pakistan and Turkey, we look forward to its early entry into force.
17. We welcome the adoption of the Annex on the Rules of Origin to the Preferential Trade Agreement (PTA) by six member countries.
18. We endorse the Roadmap for Economic Cooperation in the Second Decade of Cooperation (2008 – 2018) as the vision to guide our activities in the next ten years and instruct the Commission as well as the Secretariat to translate the elements of the Roadmap into action plans in various fields of activities. We direct the Commission to prioritize areas of cooperation, with particular emphasis on the enhancing intra-D8 trade for promoting development. We also instruct the Commission to examine the initiative of Islamic Republic of Iran on the establishment of a Joint Investment Fund for supporting implementation of D-8 projects.
19. We endorse the Statutory Documents of the D-8 Secretariat and the Rules of Procedure to be effective from 1 January 2009.
20. We confer international legal status to the D-8 Secretariat based in Istanbul and welcome the intention of the Republic of Turkey to conclude a Headquarters Agreement with it.
21. We endorse the report of the 11<sup>th</sup> Session of the Council of Ministers.
22. While acknowledging the commendable work done by the D-8 Secretariat, we express our appreciation to the Governments of Indonesia, Iran and Turkey for providing and supporting the staff of the Secretariat under the present interim arrangement and to the Government of Turkey for providing the premises for the Secretariat.
23. We express our deep appreciation to the Government of Malaysia for hosting the Sixth D-8 Summit and for extending to us warm and gracious hospitality.
24. While expressing our deep appreciation to His Excellency the President of the Republic of Indonesia and his Government for rendering able leadership and for constructive efforts in promoting the D-8 objectives during its Chairmanship, we wish the Honourable Prime Minister of Malaysia every success during his chairmanship.
25. We accept the gracious offer of the Government of the Federal Republic of Nigeria, to host the Seventh Summit of the Developing-8 in July 2010.

# **PREPARATORY MEETINGS**

**A) XI. SESSION OF THE COUNCIL OF MINISTER**

**STATEMENT  
BY  
FOREIGN MINISTER OF MALAYSIA  
AS THE NEW CHAIRMAN**

**SPEECH FOR Y.B. DATO' SERI UTAMA DR. RAIS YATIM,  
MINISTER OF FOREIGN AFFAIRS, MALAYSIA,  
AT THE LAUNCHING OF THE INTERNATIONAL MEDIA CENTRE (IMC)  
FOR THE SIXTH D-8 SUMMIT,  
5 JULY 2008, HILTON HOTEL, KUALA LUMPUR**

Y.B. Dato' Abdul Rahim Bakri, Deputy Minister of Foreign Affairs, Malaysia,

Y. Bhg. Tan Sri Rastam Mohd Isa, Secretary-General of the Ministry of Foreign Affairs, Malaysia,

Mr Visvakumar Sangiah, Acting General Manager of the Malaysian National News Agency or Bernama,

Ladies and gentlemen,

It is a pleasure for me to be with you for the official launching of the International Media Centre (IMC) for the Sixth Summit of the Developing Eight Countries (D-8). The Ministry of Foreign Affairs, Malaysia, is once again tasked to organise this Summit in addition to other important events in the last three years including the Langkawi International Dialogue (LID) last year and the ASEAN Summit in December 2005. This will be the first time that Malaysia will act as host of the D-8 Summit which is held every two years. Malaysia will be taking over the Chairmanship of the D-8 at the coming Summit from Indonesia. We will assume the position for the coming two years before handing over the baton to another member country.

**Ladies and Gentlemen,**

2. It has been 11 years since the D-8, a grouping of developing Muslim countries was formed as a mechanism for development cooperation. At the outset of its formation, the member countries – Bangladesh, Egypt, Indonesia, Iran, Nigeria, Pakistan, Turkey, and Malaysia – agreed, among others,

that the D-8 should become a catalyst towards fostering tangible and substantive economic cooperation among Muslim countries.

3. That goal remains equally important today for the grouping, whose combined population represents approximately 14 per cent of the world population. When the first D-8 Summit was held in Istanbul, Turkey on 15 June 1997, the single greatest challenge facing the eight member countries then was how to integrate with the global economy and maintain its Islamic identity at the same time.

4. Today, we are faced with new challenges in the form of runaway oil prices, the spectre of inflation and a looming world food crisis. These issues are of great concern to all our countries. The current situation is causing great hardship to all our peoples and underscore the importance of the D-8 countries working much more closely together to solve these problems which are common to us and to our partners throughout the world.

5. Let me cite the skyrocketing world oil prices as an example. Malaysia's position on the matter is that we would like to start the ball rolling and get the world to engage in a discussion to see how major oil producing countries, many of which are Muslim countries including those in the D-8 grouping itself, can play a more prominent and effective role in determining oil prices, instead of allowing the market players and speculators to have the last word on it. I have already raised this issue during the recent OIC Foreign Minister's Meeting in Kampala, Uganda. Malaysia intends to raise this matter and voice out our stand on how the oil producing countries should determine prices at a fair level in all the regional and international platforms which we will be involved in.

6. The theme that has been chosen for the Sixth D-8 Summit is '**Meeting Challenges Through Innovative Cooperation**'. This is most apt and appropriate. We can expect a lively meeting of minds

and exchanges of ideas to take place between the leaders. I am certain that we will be able to come up with many new and concrete ideas as well as pragmatic and effective proposals which we can collectively implement.

7. For the Sixth D-8 Summit, leaders who have confirmed their participation include H.E. Dr. H. Susilo Bambang Yudhoyono, President of the Republic of Indonesia; and H.E. Dr Mahmoud Ahmedinejad, President of the Islamic Republic of Iran.

8. The delegation of Pakistan will be led by its Prime Minister, H.E. Makhdoom Syed Yousuf Raza Gillani. Bangladesh will be represented by H.E. Fakhruddin Ahmed, Chief Advisor to the Government. Turkey will be represented by its Foreign Minister, H.E. Ali Babacan.

9. Representing Egypt will be the country's Minister of State for International Cooperation, H.E. Mrs. Fayza Mohamed Abdoul Naga. Nigeria will be represented by Mr. Raymond Nwobodo Okenwa, Permanent Secretary, Federal Ministry of Science and Technology.

10. The deliberations among the leaders in the Summit will be focused, among others, on a document called the **'Roadmap of Developing Eight Countries for Economic and Social Cooperation in the Second-Decade of Cooperation, 2008-2018'**. This document was first discussed at the expert level meeting that was held in Bangka Belitung, Indonesia on 30 March to 1 April 2008. It is a guideline document for Member States to propose any projects for future cooperation. We also hope that the leaders will deliberate, and adopt the **'Kuala Lumpur Declaration'** at the end of the Summit. The Summit on 8 July will be preceded by a meeting of the Commissioners which began today and will end tomorrow (4 – 5 July). The Ministerial meeting of the D-8 will convene on 6 July.



11. Meanwhile, the 10<sup>th</sup> Meeting of High-Level Trade Officials of the D-8 was held on Thursday 3 July at the sidelines of the coming Summit. The meeting, chaired by Malaysia, focused on the Rules of Origin (RoO) for the D-8 Preferential Trade Agreement (D-8 PTA). The D-8 PTA aims to accord preferential tariff concessions on selected goods among Member States, and is an agreement aimed at enhancing intra D-8 trade. For Malaysia, our trade with other D-8 Member countries is seeing a healthy increase. It stood at RM54.7 billion in 2007, an increase of 18.5 per cent compared to the year before. We hope that the figure will continue grow in future with closer intra D-8 trade cooperation.

12. The Sixth D-8 Summit itself will be opened on Tuesday 8 July, with the Prime Minister of Malaysia, the Hon. Datuk Seri Abdullah Ahmad Badawi delivering the opening address. This will be followed by the handing over of the Group's chairmanship by Indonesia's President Susilo Bambang Yudhoyono to Datuk Seri Abdullah.

**Ladies and Gentlemen,**

13. The role of the media will be crucial in this endeavour. Your reports and coverage will help generate interest and highlight the importance of the coming Summit. We count on you to inform the general public among your audiences, readers and listeners in the D-8 member countries and globally about the outcomes of the Summit.

14. As host, the Ministry of Foreign Affairs will do its best to provide the media with appropriate facilities to help you all carry out your duties effectively at the International Media Centre. So far, nearly 300 media personnel have registered with the IMC, including nearly 150 non Malaysian media representatives from other D-8 Member countries. This is indeed a very encouraging number.

15. The official news agency for the Summit, the Malaysian National News Agency or Bernama, will make available its reports and photographs from its website, Bernama.com and Bernama Photo Web respectively. These can be accessed from the workstations and personal computers at the Press working area at the IMC.

16. The official broadcaster for the Summit, Radio Television Malaysia or RTM, has also set up basic TV facilities at the RTM work area to facilitate broadcasting requirements.

17. The setting up of the facilities for the IMC begins today, and the Centre will be fully operational from tomorrow, 5 July to 8 July, from 8 am to 10 pm daily. Selected documents of the Summit, including statements, speeches announcements and other vital information will be made available here, along with media advisories on briefings and Press Conferences that will be held throughout the Summit.

**Ladies and Gentlemen,**

18. I hope that amid all the flurry of all your activities and the rush to meet both your daily copy and broadcast deadlines, you may at some point take a breather and venture and explore the various attractions offered by our beautiful city of Kuala Lumpur, whose hub is just a short hop away by Light Rail Transit. I also hope that your stay here will be productive and that your assignment here would be an enjoyable and fruitful one. I wish all of you the best and look forward to reading your articles. We pledge our full cooperation to ensure that your endeavours meet with success.

With the *lafaz* of *bismillahir rahmanir rahim*, I hereby open the International Media Centre for the Sixth D-8 Summit.

Thank you.

**STATEMENT**  
**BY**  
**SECRETARY GENERAL**  
**DR. DIPO ALAM**

**Secretary General Speech on the  
11<sup>th</sup> SESSION OF D-8 COUNCIL OF MINISTERS  
6 July 2008, Kuala Lumpur. Malaysia**

Assalamualaikum Warhmatullahiwabarakatuh.

Honorable Mr. Chairman, Dato' Seri Utama Dr. Rais Yatim, Minister of Foreign Affairs of Malaysia,  
Honorable Ministers,  
Excellencies Commissioners,  
Distinguished delegates, ladies and gentlemen,

First of all, on behalf of the Secretariat, I would like to congratulate to Dato' Seri Utama Dr Rais Yatim, our Chairman of D-8 Council of Ministers for the next two years. At this opportunity I would also express my special high appreciation and thanks to Indonesian Foreign Minister, Dr Nur Hassan Wirajuda for chairing the Council since May 2006. Without strong commitment of him and his office to support our activities at the Secretariat we could not have achieved much at all.

Allow me to also thank Malaysian Government, for hosting our 6<sup>th</sup> Summit here in the beautiful city of Kuala Lumpur.

I have reported on D-8 activities in details since the 5<sup>th</sup> Summit in Bali until now to the 25<sup>th</sup> Session of the Commission. If you allow me, I would like to only stress on some important achievements which we have gained and what we need to enhance our cooperation for the next two years.

Honorable Ministers, Excellencies, ladies and gentlemen,

1. Institutional Development

From the beginning when I have been assigned by the Chairman of D-8, the Honorable President of Indonesia, Dr. H. Susilo Bambang Yudhoyono, to be the Secretary General of D-8, my first priority was institutional development of D-8 by strengthening the role of the Secretariat. The Secretariat has been given recommendations and programs to be followed up from the last Summit, Council of Ministers, and three Commissions meetings, yet we try to initiate and lead those assignments for the good of our cooperation and organization.

The Secretariat function and role has been strengthening by increasing public relations of the organization through the improvement of our organization website. which up to now has been visited by thousands of viewers from more than of 60 countries, and functions as information source for member states and the public. Secondly, as mandated by head of states that D-8 needs to cooperate with international organizations, within one year, I, Director and Economist have visited capitals to introduce the existence and the willingness of cooperation with those agencies and organizations. Thirdly, as also mandated, the Secretariat widened its relationship with private sectors through their chamber of commerce, organizations and companies.

The results, some of the international organizations already join-in and participated in our activities such as UNCTAD, UNWTO, and IDB.

Now allow me to express what the Secretariat expects of our cooperation in the next two years

1. Strong Commitment to the Implementation of all Signed Agreements, focus on trade
2. Strong Commitment to the implementation of the first two years of D-8 Roadmap 2008-2018, focus on some sectors that support the increase of intra trade
3. Strong Commitment of Cooperation to Face the Uncertainties of High oil and Food Prices

Honorable Ministers, Excellencies, ladies and gentlemen,

Support and implementation of some promising sectors that participated by private sectors: energy, tourism, civil aviation are vital to the promotion as well as objectives of our organization

Last but not least: commitment of contribution to the organization. The inadequate budget of the Secretariat given to it by contributions of member states need to be reviewed and rectified as a matter of priority.

Thank you for your attention.

## **REPORT OF COUNCIL**

**REPORT OF THE  
11<sup>TH</sup> SESSION OF D-8 COUNCIL OF MINISTERS  
KUALA LUMPUR, MALAYSIA 6 JULY 2008**

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The Government of the Malaysia hosted the 11<sup>th</sup> Session of Developing Eight (D-8) Council of Ministers in Kuala Lumpur on 6 of July 2008. The Meeting was attended by Ministers and representatives from The People's Republic of Bangladesh, Arab Republic of Egypt, The Republic of Indonesia, Islamic Republic of Iran, Malaysia, Federal Republic of Nigeria, the Islamic Republic of Pakistan and Republic of Turkey. The list of Ministers and representatives is attached as **Annex I**.

**1. Welcoming statement by Minister of Foreign Affairs of Malaysia**

The Meeting was chaired by H.E. Dr. Rais Yatim, Minister of Foreign Affairs of Malaysia. In his opening statement, he invited all the D-8 Council Ministers to take stock of D-8 progress and call for Member Countries to re-orient its focus in strengthening its cooperation in ensuring the D-8 continue to be relevant in embracing the challenges of the current global economic development.

He emphasized that this could be done through greater involvement from the private sector. Member Countries are called upon to provide a more supportive mechanism in terms of providing hard and soft infrastructure, reducing barriers and encouraging matchmaking opportunities to facilitate greater economic cooperation. The text of his statement is at **Annex II**.

**2. Statement by the Minister of Foreign Affairs of the Republic of Indonesia to hand over the Chairmanship**

The outgoing chairman of the D-8 Council of Ministers, H.E. Dr. N. Hassan Wirajuda in his handing over statement, highlighted the achievement of D-8 during the Chairmanship of Indonesia. He highlighted that Indonesia had undertaken a new approach and had successfully acquired the participation of the private sectors as well as the civil society through the programmes and activities that has been conducted such as in trade, micro-finance, *takaful*, energy and health. He also commended Member Countries who had ratified the Preferential Trade Agreement (PTA) and urged Member Countries who had yet to ratify the PTA, Visa Agreement and Customs Agreement to ratify the agreements as it would further facilitate trade cooperation between Member Countries. The text of his statement is at **Annex III**.

**3. Adoption of the Provisional Agenda**

The Council adopted the agenda<sup>s</sup>, which is at **Annex IV**.

**4. Statement by the D-8 Secretary General**

H.E. Dr. Dipo Alam, the D-8 Secretary General reported the programmes and activities which had been undertaken by the Secretariat. He highlighted that the Secretariat had successfully fulfilled the mandate to strengthen and widen its relationship with the private sectors as well as increasing the cooperation with the international organisations. The text of his statement is at Annex V.

**5. Consideration and adoption of the Report of the 25<sup>th</sup> Session of D-8 Commissioners**

The Council considered and adopted the Report of the 25<sup>th</sup> Session of D-8 Commissioners.

**6. Consideration and adoption of the D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation (2008-2018)**

The Council considered and adopted the Roadmap for its submission to the Summit.

**7. Consideration and adoption of the Statutory Documents on D-8 Secretariat**

The Council agreed to adopt the Statutory Document as well as revised scale of assessment as recommended by the Commission.

The Council also agreed to recommend to the Summit the following:

- I) The next Secretary General will be appointed based on the principle of alphabetical rotation beginning with Indonesia effective 1 January 2009, as stipulated in Article 8.2 and 8.3 of the Statutory Documents; and
- II) For the incumbent Secretary General be reappointed under the provisions of the draft Staff Regulations.

**8. Consideration and adoption of the Report of the 10<sup>th</sup> High Level Trade Officials of D-8 Countries (10<sup>th</sup> HLTO)**

The Council adopted the report of the 10th HLTO Meeting by majority and noted the reservations expressed by Bangladesh which requested for 30% local value addition under LDC criteria and Egypt on the issue of the percentage of Value Addition. The Operational Certification Procedures (OCP) and its appendix, incorporating views from all Member Countries, were adopted collectively.

**9. Consideration of the Provisional Agenda and Programme of Work of the Sixth Summit**

The Council considered and agreed to submit the Provisional Agenda as in Annex VI and Programme of Work to the Summit as in Annex VII.

**10. Consideration of the Draft Kuala Lumpur Declaration to be submitted to the Summit**

The Council considered and submitted the draft Kuala Lumpur Declaration to the Summit as in Annex VIII.



**11. Report of D-8 Business Forum**

The Council took note of the Report of D-8 Business Forum as in Annex IX.

**12. Consideration of the Report of the 1<sup>st</sup> D-8 Ministerial Meeting on Tourism, Tehran, Iran, 12-15 May, 2008**

The Council considered and submitted the Report of the 1<sup>st</sup> D-8 Ministerial Meeting on Tourism to the Summit.

**13. Date and Venue of the 12th Session of D-8 Council of Ministers**

The Council deliberated on the issue and agreed that the Council should not convene at the sideline of major meetings such as the UNGA as previously practiced. The Council agreed that the 12<sup>th</sup> Session of D-8 Council of Ministers will be convened a year from now in Kuala Lumpur. The date and venue for the 12<sup>th</sup> Council of Ministers will be communicated through the Secretariat.

**14. Considerations and adoption of the Report of the 11th Session of Council of D-8 Ministers**

The Council adopted its report by consensus.

**15. Any other business**

The Meeting did not discuss any matter under this agenda item.

**16. Closure of the Meeting**

The Chairman made a closing statement and thanked all delegates for their active participation in the deliberations of the Meeting leading to the successful conclusion of the Meeting.

The Chairman highlighted that more than 10 years had lapsed since D8 decided to come and work together towards strengthening the economic and trade relation. The Chairman indicated that all Member Countries should seriously endeavour to find new ways of doing things so as to further enhance collaboration. At the same time D8 needs to look at ways to foster a closer government–private sector kind of cooperation. This will make D8 different from other established international and regional organisation.

The delegations expressed their profound appreciation to the Government of Malaysia for the excellent arrangements in hosting the Meeting and the generous hospitality extended to them. They also thanked the Chairman for his wise leadership and commended the skilful manner in which he conducted the meeting that led to its successful conclusion.

**B) XXV. SESSION OF THE COMMISSION**

**STATEMENT  
BY  
SECRETARY GENERAL  
DR. DIPO ALAM**

**Speech by Dr. Dipo Alam**  
**D-8 Secretary General**  
**At The 25<sup>th</sup> Commissioner Meeting**  
**Kuala Lumpur, Malaysia, 4-5 July, 2008**

Excellency D-8 Commissioners,  
Distinguished ladies and gentlemen,  
Assalamualaikum Warrahmatullahi Wabarakatuh,  
May the Almighty Allah bless all of you.

First of all, I would like to congratulate H.E. Ambassador Encik Ibrahim Abdullah of Malaysia as our Chairman of D-8 Commission for the next two years. And at this opportunity I would also like to express my sincere thanks and high appreciation to H.E. Ambassador Rezlan Izhar Jenie for his consistent and productive leadership chaired our Commission since 2006. In his chairmanship, last two years, we have fruitful experience and achieved a lot of progress both in programs, activities and institutional development of our cooperation and organization.

It is a great pleasure for me to be here among you and it is a pleasure to see you all again. I would like to express my appreciation and thanks to the Government and people of Malaysia for a nice and well-prepared meeting that we all attending today and tomorrow.

I will report some progress of our organization and its cooperation activities that have been implemented since the 5<sup>th</sup> Summit until today. But before the report, please allow me to introduce my colleagues and staff of the Secretariat. Some of you already had the opportunity to meet them before: Ambassador Kia Tabatabaee from Iran is our excellent Director with his mature diplomatic experiences; Ms. Esen Gonen, our knowledgeable Economist from Turkey; and Mr. Nirwansyah our hard working staff at the Secretariat. As you note we are a small-staffed secretariat but quite an efficient one in discharge of our duties according to the following report.

My report will be consisted of two parts, that is, a review of the Outcome of Activities; and the Secretariat Report. The review of the outcome of activities describing various activities as suggested to be followed up in the recommendations and programs of the Fifth Summit last May 2006 in Bali, Indonesia; Ministerial Council Meeting in September 2006 in New York, USA; the 22<sup>nd</sup>, 23<sup>rd</sup> and 24<sup>th</sup> Commission Meetings; Working Groups and Capacity Building in various capitals; and D-8 Federation of Chambers of Commerce meetings.

The Secretariat report explains my working visits to different capitals for promoting cooperation among member states, meeting international dignitaries, and visits to chamber of commerce and trade fairs. This is an initial effort and modality to draw attention and interest from international organizations and private sectors' in our cooperation. Some of these organizations have already participated in our activities, for example UNCTAD in two of our capacity building programs on RoO and Preferential Trade Agreement in Jakarta and Kuala Lumpur; the UN World Tourism Organization has sent delegate to join in our 1<sup>st</sup> Ministerial Tourism Meeting in Tehran, Iran; and the Islamic Development Bank delegate has also attended our recent Working Group on Energy Meeting in Cairo, Egypt. Some organizations such as IFAD, OFID, UNIDO, ITC, and OIC organs have showed their interests and cooperation; and have been waiting for our proposals of technical cooperation to be submitted.

I will also explain certain activities by the Secretariat that would need your comments and suggestions on its status, preparation of a draft revision on the Function, Rules, Procedure and the

Structure of the Secretariat that we all have discussed in the 24<sup>th</sup> Commission meeting; as well as in the Expert Meeting on Roadmap and Statutory Documents in Bangka-Belitung, Pangkal Pinang, Indonesia earlier this year. Today, we will discuss it more comprehensively for its completion (details in the **Attachment 3**).

Finally yet importantly, I will explain some views of the Secretariat on the future of our cooperation and programs given the interest shown by Private Sector for participation, for example in energy and civil aviation sectors, as directed in our Roadmap 2008-2018.

The followings are brief explanations of my report:

### **1. Implementation of Program and Activities**

The list of program and activities between 22<sup>nd</sup> and 25<sup>th</sup> Session of D-8 Commission are as follow:

1. Seminar on Olive and Saffron Cultivation (by Pakistan), held Peshawar-Pakistan, 12-13 June, 2006;
2. Third Working Group Meeting on Energy (by Indonesia), held in Bogor, Indonesia, 6-7 July 2006;
3. 10<sup>th</sup> Session of D-8 Council of Ministers, held in New York, 20 September 2006;
4. Capacity Building on Micro Financing (by Indonesia); held in Jakarta, Indonesia on 6-12 November 2006;
5. 22<sup>nd</sup> Session of D-8 Commission, held in Jakarta, Indonesia, 12-13 November 2006;
6. the First Meeting on Ecotourism, held in Tehran, Iran on 13 November 2006;
7. the 7<sup>th</sup> Meeting of the HLTO, held in Islamabad, Pakistan on 18-19 December 2006;
8. the Workshop on Data Collection, Classification and Management of SMEs, held in Islamabad, Pakistan, on 12-13 March 2007;
9. the D-8 Capacity Building Programme on the Settlement of Disputes in International Trade, Investment and Intellectual Property and through Regional Mechanisms, held in Jakarta, Indonesia, on 27-29 April 2007;
10. the 8<sup>th</sup> Meeting of the HLTO, held in Islamabad, Pakistan on 3-4 May 2007;
11. the 3<sup>rd</sup> Meeting of the Working Group on Industry, held in Kuala Lumpur, Malaysia, on 22-23 May 2007;
12. 23<sup>rd</sup> Session of D-8 Commission, held in Jakarta, 28 - 29 May 2007;
13. Workshop on Emerging Threats and Opportunities of Globalization for Rural Development, held in Comilla, Bangladesh on 24-28 June 2007;
14. The First Meeting of Directors General of Civil Aviation, held in Antalya, Turkey on 27-29 June 2007;
15. The Second Meeting of Directors-General of Civil Aviation, held in Isfahan, Iran on 8-10 September 2007;
16. Workshop for Preferential Trade Agreement Rules of Origin, held in Kuala Lumpur, Malaysia on 29-30 October 2007;
17. 24<sup>th</sup> Session of the D-8 Commission, held in Yogyakarta, 22-23 November 2007;
18. Workshop on Financial Infrastructure Development Among the D-8 Countries, held in Cairo, Egypt, on 26 November 2007;
19. Third Seminar on the Regulations of Takaful, held in Cairo, Egypt, on 27-28 November 2007 (hosted by Malaysia);
20. 9<sup>th</sup> meeting of HLTO, held in Islamabad, 27-28 March 2008;
21. Expert Meeting on Roadmap and Statutory Documents, held in Bangka & Belitung, Pangkal Pinang, 31 March – 1 April 2008;
22. 1<sup>st</sup> D-8 Ministerial Meeting on Tourism held in Tehran, Iran on May 12-15, 2008;
23. 4<sup>th</sup> D-8 Working Group on Energy, held in Cairo, Egypt, on June 1-2, 2008;
24. The Round Table Discussion on Care, Support and Treatment of HIV/AIDS in Developing Eight Countries held in Bogor, Indonesia on 9-11 June 2008;

25. The 3rd D-8 Working Group on Civil Aviation and Director Generals' Meeting, held in Bali, Indonesia on June 17-18, 2008;
26. 10th HLTO- July 3, 2008 in Kuala Lumpur/Malaysia will be held in Kuala Lumpur on 3 July 2008.

***Program and Activities between 24<sup>th</sup> and 25<sup>th</sup> Session of D-8 Commission***

- 1 **9<sup>th</sup> Session of High-Level Trade Official (HLTO)** was held in Islamabad on March 27-28 2008 with a view to negotiate the Rules of Origin of the Preferential Trade Agreement (PTA) signed at the 5th Summit in Bali in May 2006. The meeting was a key step for the finalization of RoO since the delegates agreed on almost all articles.
- 2 **Expert Meeting on D-8 Roadmap (2008-2018) and Statutory Documents for the D-8 Permanent Secretariat** took place in Pangkal Pinang, Bangka-Belitung Province, Indonesia on 31 March-1 April 2008. The meeting completed discussion of the D-8 roadmap, which is the guideline for D-8 cooperation in 2008-2018 and agreed on the revised draft text. It also agreed that the Roadmap will be adopted and declared in the 6<sup>th</sup> Summit.

With regard to the draft Statutory Documents for Permanent D-8 Secretariat, the Meeting agreed in principle with most contents of the documents. Several delegations conveyed their views and suggestions on aspects of Documents.

- 3 **1<sup>st</sup> D-8 Ministerial Meeting on Tourism** was held on May 12-15, 2008 in Tehran/Iran. During the meeting, based on the outcomes and substantive issues of the Ministerial Meeting, Tehran Declaration was prepared and adopted by the Ministers to be endorsed by the 6<sup>th</sup> Summit. In addition, roadmap of cooperation in tourism for next ten years will be developed soon. The Secretariat expect that potential cooperation programs and projects by involving private sector on tourism should be encourage since tourism potential in D-8 countries is high and successfully implemented by companies;
- 4 **4<sup>th</sup> D-8 Working Group on Energy** was held on June 1-2, 2008 in Cairo/Egypt. The meeting provided insightful views and discussion of the current energy situation from Member States. In general all Member States submitted papers which were mainly discussing the present energy situation, highly shadowed by the current energy crisis caused by the increasing demand and the sky-rocketing prices of oil. The outcomes of this working group have been encouraging and resulted concrete cooperation projects, especially in renewable energy. Also center of studies to monitor and analyze the unfortunate situation with uncertainties of high oil prices also has been established. In addition, the establishment of D-8 Working Group on Mines and Mineral Resources has been accepted; Indonesia is ready hosting the first meeting this year. Roadmap of cooperation for next ten years in energy has been accepted by the working group and will focus on real cooperation projects involving private sector;
- 5 In 9-11 June 2008, the **Round Table Discussion on Care, Support and Treatment of HIV/AIDS in Developing Eight Countries** has been convened at Bogor, Indonesia. The meeting produced a final document in the form of three recommendations of action plans. Other recommendation plans are a setting up of a D-8 Distance Learning Centre on HIV/AIDS and finally to welcome the International Conference of AIDS in the Asia Pacific (ICAAP) IX in Bali, Indonesia in 2009. Roadmap of cooperation within next ten years in the cooperation on care, support and treatment of HIV/AIDS will also prepared soon involving government, NGOs, universities and private sectors as much as they can;

- 6 **The 3<sup>rd</sup> D-8 Working Group on Civil Aviation and Director Generals' Meeting** was held on June 17-18, 2008 in Bali, Indonesia. After extensive discussions and exchange of views, agreed on a number of recommendations such as to activate the Task Forces as a follow up of the Article 5 of the ToR of D-8 Working Group on Civil Aviation. It also concluded several Memorandum of Understandings (MoUs) among the companies to implement cooperation projects in Civil Aviation Industries, air transportation, airports development, maintenance, and rules and regulations cooperation were signed in the meeting to be followed up both by private sectors and governmental cooperation.
- 7 **10<sup>th</sup> HLTO**, July 3, 2008 in Kuala Lumpur/Malaysia, the 10<sup>th</sup> Meeting of High Level Trade Officials was completed in Kuala Lumpur on 3<sup>rd</sup> of July, yesterday with a big success. I am glad to inform you that the text of the Rules of Origin and Operational Certificate Procedures as the Annexes of the D- 8 PTA were adopted unanimously by all member states. Bangladesh and Egypt have made reservations with regard to the 40 percentage of local content which are 30% and 50% respectively. Majority of the member states agreed that they will join as soon as possible when they are ready to accept the 40 percent local content. HLTO Meeting was also useful with a view to remove some ambiguities regarding the details of Offer Lists. Now we are waiting for the completion of ratification process by Member States. So far, Iran and Malaysia have ratified the PTA. As soon as two more member states ratify the PTA, it will enter into force which, I believe, would be a milestone for further development of D-8 intra trade; and
- 8 **D-8 Business Forum**, July 3, 2008. The Forum was held pararely with the 10<sup>th</sup> HLTO. It was open with the statement from the Vice-President of National Chamber of Commerce and Industry Malaysia, D-8 Secretary General, Secretary General of D-8 Chamber of Commerce and the Secretary General of Ministry of International Trade and Industry, Malaysia. The meeting was attended by business person from D-8 and went on to discuss main topics of D-8 Business Forum for 2008, they are: Biotechnology, Halal Industry and Renewable energy. The meeting ended with joint press conference session.

### *Secretariat Activities*

- 1 The newly arrived Economist, Mrs. Z. Esen Gonen from Turkey began its work on February 18, 2008. Since then she has prepared analytical and researched reports on different trade issues among member states as well as variety on international trade, economy, tourism, etc.
- 2 Secretary General called on Minister of Energy and Natural Resources of Turkey; Minister of Culture and Tourism in Ankara; Minister of Energy and Mineral Resources of Indonesia in Jakarta, and Minister of Petroleum of Egypt in Cairo.
- 3 Secretary General paid a visit to Mr. Omer Cihad Vardan, President of MUSIAD, Businessmen Association in Istanbul (with large members of small and medium enterprises in Turkey) and Mr. Mehmet Habbab, the Chairman of Turkish-Middle Eastern Countries Business Council to introduce and encourage these business association interested to cooperate with D-8 business society and doing business more in the near future.
- 4 Secretary General visited the Headquarter of ICDT in Casablanca, Morocco, in January 2008. Secretary General visited the Director-general of UNIDO, Mr. Kandeh Yumkella and Director General of OPEC Fund for International Development (OFID) Mr. Suleiman Jasir Al-Herbish,

in Vienna, Austria on January 20-21, 2008 with an aim to discuss potential cooperation areas. He also met and discussed with the President of International Fund for Agricultural Development (IFAD) Mr. Lennart Bage in IFAD Headquarters, Rome, Italy on January 23rd, 2008 on several issues of economic development that related with efforts to reduce poverty. He also paid visit to Francesco Frangialli, Secretary General of UNWTO on April 16, 2008 in Madrid/Spain.

- 5 Some internal administrative works have been conducted like upgrading the outdated computer equipments, updating Secretariat archives, introducing D-8 electronic documents into the Website, organizing the function of the Secretariat as depository of D-8 agreements.
- 6 Secretary General attended to the 9<sup>th</sup> Session of HLTO, Expert Meeting on Roadmap and Statutory Documents, 1<sup>st</sup> D-8 Ministerial Meeting on Tourism, 4th D-8 Working Group on Energy and 3<sup>rd</sup> DGCA Meeting. Director attended 1<sup>st</sup> D-8 Ministerial Meeting on Tourism and Economist attended 9<sup>th</sup> Session of HLTO and 1<sup>st</sup> D-8 Ministerial Meeting on Tourism.
- 7 In order to promote image of D-8 Organization as well as to strengthen the activities of Small and Medium Sized Enterprises, D-8 Secretariat attended the private sector forums such as: Istanbul Fair, Boat Show, Emmitt-Istanbul and paid visit to Organized Industrial Zone (OSTIM)-Ankara.
- 8 D-8 Secretariat attended to the gatherings of non-governmental organizations like 11th Celebration of D-8 Organization arranged by economic and Social Researches Center (ESAM), 140th Celebration of Turkish Red Crescent Society, Istanbul, Turkey 2nd Muslim Excellency and Competitiveness Corporations' Award (MECCAWARD) Meeting, Kish Island, Iran, and Turkish Association of Health Tourism, Antalya, Turkey.
- 9 D-8 Secretariat has constantly utilized D-8 website for its outgoing letters, Circulations, Reports etc so that Member States be able to reach the necessary documents timely and properly. We regularly remind and encourage Member States to logon to our website for retrieval as well as updating themselves on D-8 Activities.
- 10 D-8 Secretariat has initiated new fields of cooperation by calling on relevant State Officials of Member States like civil aviation, tourism, energy, remittances and megacities.
- 11 D-8 Secretariat has initiated to use international funds available within different organization for the benefit of D-8 Organization like IDB, OFID and IFAD. It also sent a proposal for financing facility offered by IFAD regarding remittances.
- 12 By June 27, 2008 D-8 Secretariat has made 280 correspondences since January 2008 (during this year, the Secretariat has utilized “paperless system” for correspondences with Member States such as: E-mails, which otherwise this number would have drastically been increased).

### ***Secretariat Administrative issues***

1. During the first half of 2008, D-8 Secretariat continues to encounter the budgetary constraints. Considering the contributions of Member States which have stayed constant (US \$ 14,000 per year) since Cairo Summit (2001), presently the Secretariat faces a budget constraint to an extent that by end of August 2008 the budget will be in negative territory (-US \$ 3,000).The present levels of contribution from Member States only provide enough budget to run the

Secretariat for eight months of a year.

2. The Secretariat could not have operated properly and made achievements with current level of contributions, if the financial supports of the Governments of Indonesia, Iran and Turkey were not put at its disposal, through appointments of professional staffs of the Secretariat.

Excellencies, distinguished ladies and gentlemen,

**Some future Cooperation needs the Commissions' attention and supports**

Before I conclude my speech and report, please allow me to express my expectations of our cooperation in the next two years that need your attentions and supports:

- a. Two agreements namely: Easing Visa Agreement and Preferential Trade Agreements should be ratified as soon as possible. I urge you to kindly intervene with related agencies of your governments and the parliament to ratify these agreements as soon as possible. Turkey and Iran has sent the Secretariat the ratification of the Agreement, the Secretariat expects more countries to follow;
- b. Regarding the Custom Agreements, no one has ratified it so far. Noting that in many member states, Agreements need Parliamentary endorsements; and because of its non-disputable contents, I propose to change its name; instead of an "Agreement" may be an "Actions Plan", so make it easier and quickly to implement;
- c. Having our Roadmap will be declared by the Summit, we need from time to time to improve it as well as preparing its actions plan, programs and projects. I need your directions and consistency that all cooperation programs and projects will be proposed by your countries, please refer to the objectives of the Roadmap. At least once a year we have a meeting to review the implementation of the Roadmap;
- d. Secretariat already has called upon some international organizations that are willing to cooperate with D-8; we need small financial support from you to hire professional consultants to introduce professional technical projects on mutual fields of interests.
- e. Since D-8 activities have been involving with quite numbers of private sector projects; we need to develop several task forces within each working group that specially monitor, evaluate and facilitate of the potential cooperation come into reality. A business development manager is required to support the Secretariat to coordinate the task forces and follow up the implementation of projects cooperation;
- f. It is expected that every working group meeting should invite related companies to join-in as delegates and resulting some potential cooperation projects based on what are expected in the Roadmap and the actions plan;
- g. On the unfortunate situation of the uncertainties and the increase of oil prices, which cannot be only addressed by applying various fiscal and monetary policies, we believe that a concrete set of programs and cooperation projects in renewable energy and programs on energy related matters for reducing poverty should be prioritized. We expect the 25th Session of the Commission to report to the Council of Ministers and the Summit, those countries which have wind-fall benefits, in the current situation, should also share the concern of our developing 8 countries cooperation of 930 million people. On the renewable energy program, for example on bioenergy development, our cooperation programs and projects cannot be dependent and dictated by controversies and the interest of other third parties or countries with their associations which may discourage our cooperation;
- h. To face the problem of high of food prices currently, cooperation on agricultural development should be revitalized, including fishery, animal husbandry, and organic products, into active working group on agricultural development and creating some task



- forces for implementing some cooperation projects including by involving private sectors;
- i. We should continuously encourage the cooperation projects of private sectors in energy sector, civil aviation and air transport, airports businesses, and related infrastructure development businesses, and also try to have similar active working groups on sea transportation and shipping business forum to support the increase of our intra-trade objectives;
  - j. As mandated by our head of states that D-8 activities should involving private sectors, now we have three institutions: (i) D-8 Business Forum that programmed for every two years during the Summit; (ii) D-8 Chamber of Commerce which has a secretariat in Tehran, and coordinating several meetings for D-8 in every World of Chamber of Commerce meetings; and (iii) some working groups and their task forces that coordinating and lead cooperation some companies in their fields. We need clearly to define their functions and roles and facilitate them to have good results for the benefits of our countries; and
  - k. There are many trade, business and industrial fairs and conferences within D-8 countries, we need to initiate wherever and whenever there is an opportunity in each fair, we need to encourage the private sectors of D-8 take the opportunity a forum on business cooperation. For example, in October 2008, MUSIAD of Turkey will have international exhibition of small and business enterprises in Istanbul, they invite D-8 to join-in, even providing D-8 a special booth and meeting room. This opportunity of cooperation should be participated by D-8. Therefore we expect chamber of commerce and/or fairs companies in your countries inform us as earlier as possible, so allow the participation of D-8 on that fairs.

Excellencies, distinguished ladies and gentlemen,

If you see some opportunities and challenges of our cooperation ahead, it is very difficult for the Secretariat to be your partner to successfully coordinate and manage of the activities and expectations as I mentioned before. Therefore in this great opportunity I need your supports to consider the completion of *the Statutory Document of the Secretariat. This is a basic document which will give a new form and status to the future Secretariat. Without adoption of this document we will not be able to have a full fledged Secretariat and thus will not be able to monitor the implementation of all activities.*

I have started my address this morning by congratulating Malaysia's Chairmanship for the next two years, the Secretariat believes that together with all Commissioners, and with Malaysian experiences in international trade and tourism, D-8 will make advancement in our trades and other economic cooperation.

Thank you for your attention.

# **REPORT OF COMMISSION**

**REPORT OF THE  
25<sup>th</sup> SESSION OF D-8 COMMISSION  
4 - 5 July 2008**

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The Government of the Malaysia hosted the XXV Session of Developing Eight (D-8) Commission in Kuala Lumpur on 4-5 of July 2008. The meeting was attended by delegates from The People's Republic of Bangladesh, Arab Republic of Egypt, The Republic of Indonesia, Islamic Republic of Iran, Malaysia, Federal Republic of Nigeria, the Islamic Republic of Pakistan and Republic of Turkey. The list of commissioners is attached as **Annex I**.

4. Welcoming Remarks by the D-8 Commissioner of Malaysia

The meeting was chaired by H.E. Ambassador Ibrahim Abdullah, the D-8 Commissioner of Malaysia. In his opening statement, he invited all the D-8 Commissioners to recall the primary objective behind the establishment of the D-8 that was to strengthen the economic agenda of member countries which could be emulated by other OIC countries. He also reiterated that all Member Countries should evaluate themselves how far they have achieved the objectives of the D-8. The text of his statement is at **Annex II**

5. Handing Over the Chairmanship from the Republic of Indonesia to Malaysia

The outgoing chairman of D-8, H.E. Ambassador Rezlan Isha Jenie in his handing over statement, highlighted the achievement of D-8 during the Chairmanship of Indonesia on the successful hosting of 31 events as well as the successful completion of the D-8 Roadmap for Economic and Social Cooperation in its second decade of Cooperation (2008 – 2018) which will serve as a guideline for D-8's future cooperation. However, he stated that the holding of some scheduled activities could not materialize due to lack of participants, conflicting schedule, and short notice problem. The text of his statement is at **Annex III**

6. Adoption of the Draft Agenda

The Commission adopted its agenda, which is at **Annex IV**.

4. Statement by the D-8 Secretary General

H.E. Dr. Dipo Alam, the D-8 Secretary General reported the programmes and activities which have been undertaken by the Secretariat. The report made reference to the outcome of activities from the 5th Summit in 2006 in Bali, Indonesia, Ministerial Council Meeting in September 2006 in New York, the 22nd, 23rd and 24th Commission meetings, Working Groups and Capacity Building in various capitals; and the D-8 Federation of Chambers of Commerce meetings. The text of his statement is at **Annex V**.

5. Consideration of the report of the meetings that have been convened since the 24<sup>th</sup> Session of the D-8 Commission

The Commission considered and recommended the adoption of the reports of the following meetings/events to the Council of Ministers:

- Workshop on Financial Infrastructure Development Among D-8 Countries, Cairo, 26 Nov 2007
- Specialised Workshop on Takaful & Retakaful Cairo, 28 Nov 2007
- 9<sup>th</sup> Session of High Level Trade Officials (HLTO), Islamabad, 27 -28 March 2008
- Expert Meeting on D-8 Roadmap and Statutory Documents for D-8 Permanent Secretariat, Pangkal Pinang, Indonesia, 31 March-1 April 2008
- 1<sup>st</sup> Ministerial Meeting on Tourism, Tehran, Iran, 12-15 May, 2008.
- 4<sup>th</sup> Working Group on Energy, Cairo, Egypt 1-2 June 2008.
- Roundtable Discussion on Care, Support and Treatment of HIV/AIDS, Bogor, 9 – 11 June 2008.
- 3<sup>rd</sup> Meeting of D-8 Director-General of Civil Aviation , Bali, 17-18 June 2008

6. Calendar of Events (cancelled, pending and future activities)

Pending:

- A Meeting to initiate cooperation between D-8 scientific institutions, research institutes and universities in March 2008 in Nigeria;

The Commissioner of Nigeria informed the Commission that the meeting will be convened in October 2008. Actual dates would be circulated through the Secretariat.

- A Meeting on Migrant Workers and Remittances in April 2008 in Bangladesh;

The Commissioner of Bangladesh informed the Commission that the meeting will be convened in early November 2008 immediately after the Second Global Forum on Migration and Development.

- Fourth Meeting of D-8 Working Group on Industry in April 2008 in Indonesia;

The Commissioner of Indonesia informed the Commission that the meeting will be convened either in the fourth week of August or first week of September 2008.

- Meeting on Islamic Finance in 2008 in Malaysia;

The representative of Malaysia informed the Commission that the dates for the meeting will be circulated through the Secretariat.

- Experts Meeting on Automotive Industry in 2008 in Iran.

The Commissioner of Iran proposed that the meeting may be held at the level of Ministers in-charge of Industry.

## 9. Calendar of Events for 2008 -2009

The Commissioner of Indonesia proposed the following activities:

- (i) D-8 Satellite Meeting on HIV/AIDS back to back with International Conference on AIDS in the Asia Pacific, in Indonesia in 2009.

- (ii) First Working Group on Mining and Minerals in Indonesia in 2009.

The Commissioner of Iran proposed the following activities:

- (i) First Experts Group Meeting on Organic Agriculture in December 2008.

- (ii) International Tourism investment Forum in October 2008.

- (iii) International Conference of Tour Operators in 2008/09.

## 10. Consideration of the D-8 Chamber of Commerce Activities

The Secretary General of the Federation of the D-8 Chambers of Commerce presented a report on the activities of the Federation and the outcome of Business Forum held at Kuala Lumpur on 3 July 2008. He requested the support of the member countries for the activities of the Federation. The text of his statement is at Annex VI.

## 11. Consideration and adoption of the Statutory Documents for The Future Status of The Secretariat

- The Commission discussed at length the draft statutory documents for the D-8 Secretariat i.e. Financial Regulation, Staff Regulations and Rules of Procedures and recommended them to the Council of Ministers for adoption. It recommended that the documents be effective from 1 January 2009.
- With regard to the Headquarters Agreement, the Commission instructed the Secretary General to negotiate the Agreement with the host country (Turkey) and present the final draft to the Commission for its consideration and seeking authorization to sign it.
- The Commission agreed to recommend to the Council of Ministers the adoption of the following scale of the assessment of the Member States to the Secretariat budget:

<u>Country</u>	<u>Average</u>
Bangladesh	4.50
Egypt	10.00
Indonesia	11.63
Iran	16.22
Malaysia	20.15
Nigeria	6.50
Pakistan	7.50
Turkey	23.50
<hr/>	
Total	100.00

- The Secretariat shall submit to the Commission, its draft budget for 2009 on the basis of the new scale of assessment.
- The Commission recommended that the Council may consider and take a decision on the appointment of the Secretary General.

**12. Consideration and adoption of the Rules of Origin (RoO)**

The representative from Malaysia (Ministry of International Trade and Industry) briefed the meeting on the outcome of the Tenth D-8 High Level Trade Officials (HLTO) Meeting which took place on 3rd July 2008. The meeting adopted the report of the 10th HLTO Meeting by majority and noted the reservations expressed by Bangladesh and Egypt on the issue of the percentage of Value Addition. The Operational Certification Procedures (OCP) and its appendix, incorporating views from all Member Countries, were adopted collectively. Full report of 10th Meeting of High Level Trade Officials of D-8 Countries is as in **Annex VII**.

**13. Consideration and adoption of the D-8 Roadmap for Economic Cooperation in the Second Decade of Cooperation (2008-2018)**

The Commission recommended approval of the Roadmap by the Council of Ministers, which is at **Annex VIII**.

**14. Consideration of the Draft Kuala Lumpur Declaration**

The Commission recommended consideration of the draft Kuala Lumpur Declaration to the Council of Ministers for adoption by the Summit. The draft Declaration is at **Annex IX**.

**15. Consideration of the Draft Agendas of the Ministerial and Summit Meetings**

The Commission considered and submitted to the Council draft agenda for the Council and the Summit

**16. Date and Venue of the 26<sup>th</sup> Session of the D-8 Commission and 12<sup>th</sup> Session of Council of Ministers**

The date and venue for the above mentioned meetings will be circulated soon.

**17. Consideration and Adoption of the Report of the 25<sup>th</sup> Session of the D-8 Commission**

The Commission adopted its report by consensus.

**18. Any Other Business**

No matter was raised under this agenda item.

**19. Closing**

The Chairman made a closing statement thanking all delegates for their active participation in the deliberations of the meeting leading to the successful conclusion of the meeting.

The delegations expressed their profound appreciation to the Government of Malaysia for hosting the meeting and generous hospitality extended to them. They also thanked the Chairman for his able leadership and commended the skilful manner in which he conducted the meeting.

**C) FORTH D-8 BUSINESS FORUM**

**STATEMENT  
BY  
SECRETARY GENERAL  
DR DIPO ALAM**



**Secretary General Speech at D-8 Business Forum  
Hilton Kuala Lumpur Hotel, 3 JULY 2008**

The Honorable Minister of International Trade and Industry of Malaysia,  
Distinguished Vice-President of the National Chamber of Commerce and Industry of Malaysia, Dato'  
Muhammad Muhiyuddin Hj Abdullah, and  
distinguished ladies and gentlemen,

I have the pleasure to extend a warm welcome to all of you to our D-8 Business Forum, and I would also like to express my thanks and gratitude to the Malaysian Government and the Malaysian people for their immense efforts in the preparation of this Forum and the Summit in beautiful city of Kuala Lumpur.

I will have the opportunity during the coming days to present about the progress of D-8 activities lately, as mandated to the Secretariat General, especially today to the business community.

Ladies and gentlemen,

Two and half years ago in Bali, on the 5th Summit, it was reported that D-8 total trade to the world was US\$ 750 billions and the intra-trade among D-8 countries was US\$ 34 billions which was 5% of the total trade. In 2007, last year, the total trade figure increase to US\$ 1,040 trillions and the intra-trade was US\$ 60 billions which, however, was still 5% of the total trade. These figures shows the potency of D-8 trade has been in progressing, of course contributed significantly by the increase of oil and gas prices that produced by some D-8 member state, but in the same time also challenges for us to increase of more our intra-trade, so allow our economic cooperation meaningful for 930 millions of people within D-8 countries.

**D-8 BUSINESS FORUM**  
**HILTON KUALA LUMPUR HOTEL, 3 JULY 2008**

8.30 a.m. – 9.30 a.m. REGISTRATION

9.30 a.m. – 10.10 a.m. OPENING SESSION  
(Venue: Ballroom C, Level 6)

- Welcoming remarks by Y.Bhg. Dato' Muhammad Muhiyuddin bin Hj. Abdullah, Vice-President of the National Chamber of Commerce and Industry, Malaysia.
- Statement by H.E. Dr. Dipo Alam, Secretary-General of D-8.
- Opening statement by the Minister of International Trade and Industry, Malaysia.

10.10 a.m. - 10.30 a.m. Tea Break

WORKSHOP GROUP I – BIOTECHNOLOGY  
(Venue: Ballroom C, Level 6)

10.30 a.m. – 10.50 a.m. Keynote Address: “Developing the Halal Industry Using Biotechnology” by Dato' Iskandar Mizal Mahmood, Chief Executive Officer, Malaysian Biotechnology Corporation

11.00 a.m. – 11.50 a.m. Session 1: “How Biotechnology Can Contribute Towards the Development of the Halal Industry”.  
Convenor : Prof. Yaacob Che Man, Lecturer of Food and Science Technology, Universiti Putra Malaysia.

12.00 p.m. Lunch Break

2.30 p.m. – 3.20 p.m. Session 2: “Alternative Bio-Materials for Halal Biopharmaceuticals and Health Supplements”.  
Convenor : Mr. Dawood Su, Chief Executive Officer, Shanghai Al-Amin Biotech, China.

3.30 p.m. – 3.50 p.m. Tea Break

4.00 p.m. – 4.50 p.m. Session 3: “Issues in the Production of Halal Vaccines and Biopharmaceuticals”.  
Convenor: Dato' Dr. Nor Shahidah Khairullah,  
Chief Executive Officer, Malaysian Liver Foundation.

5.00 p.m. – 5.30 p.m. JOINT PRESS CONFERENCE

## WORKSHOP GROUP II - HALAL INDUSTRY

*(Venue: Link A, Level 6)*

- 10.30 a.m. – 10.50 a.m. Keynote Address: “Malaysia as the Global Halal Hub” by Dato’ Jamil Bidin, Chief Executive Officer, Halal Development Corporation Malaysia
- 11.00 a.m. – 11.50 a.m. Session 1: “Halal Integrity – Certification, Standard and Training”.  
Convenor: Mrs. Mariam Abdul Latif, Vice President, Halal Development Corporation Malaysia
- 12.00 p.m. Lunch Break
- 2.15 p.m. – 2.45 p.m. Session 2: “International Cooperation under the OIC Regarding Halal Food Standards and Certification”  
Convenor: Mr. Korkut Yavuz, Assistant Expert, Directorate-General of Foreign Export Standardization of the Undersecretariat of Foreign Trade, Turkey
- 2.45 p.m. – 3.30 p.m. Session 3: “Research and Development in the Halal Industry”.  
Convenor: Prof. Yaacob Che Man, Lecturer of Food and Science Technology, Universiti Putra Malaysia
- 3.30 p.m. – 3.50 p.m. Tea Break
- 4.00 p.m. – 4.50 p.m. Session 4: “Halal Industry Initiatives – Nestle Halal Initiatives”.  
Convenor: Representative from Nestle (Malaysia) Sdn. Bhd.
- 5.00 p.m. – 5.30 p.m. JOINT PRESS CONFERENCE

## WORKSHOP GROUP III - RENEWABLE ENERGY

*(Venue: Link B, Level 6)*

- 10.30 a.m. – 10.50 a.m. Keynote Address by the representative of Malaysia Energy Centre.
- 11.00 a.m. – 11.30 a.m. Session 1: “Investment Opportunities in Renewable Energy Sector in Pakistan”.  
Convenor: Mr. Tanvir Ahmad Sheikh, President of Federation of Pakistani Chambers of Commerce and Industry (FPCCI).
- 12.00 p.m. Lunch break
- 2.30 p.m. – 3.20 p.m. Session 2: “The Potential of Photo Voltaic Project: Experience of Europe and Malaysia”.  
Convenor: Ir. Hadri Idris / Mr. Daniel Ruoss, Malaysia Building Integrated Photo Voltaic (MBIPV)

*3.20 p.m. – 3.45 p.m.* Tea Break

*3.45 p.m. – 4.30 p.m.* Session 3: “Utilisation of Biomass Briquette as  
Renewable and Sustainable Source of Energy: A Malaysian Venture.  
Convenor: Ir. Dr. Mohd Shahir Liew, Sabutek (Malaysia) Sdn. Bhd.

*5.00 p.m. – 5.30 p.m.* JOINT PRESS CONFERENCE

## **REPORT OF BUSINESS FORUM**

**The Presentation of the  
Report on the D-8 Business Forum  
to the D-8 Council of Ministers**

**6<sup>TH</sup> JULY 2006, Kuala Lumpur**

Honourable Ministers of the D-8 Council of Ministers

Ladies and gentlemen

Good Afternoon

1. The National Chamber of Commerce and Industry of Malaysia (NCCIM), and also by and large on this occasion on behalf of the business community of D-8, would like to thank the D-8 Council of Ministers for the opportunity to make a report on the proceedings of the D-8 Business Forum held on Thursday, 3<sup>rd</sup> July 2008.
2. In conjunction with the 6<sup>th</sup> D-8 Summit, The Ministry of Foreign Affairs Malaysia and the National Chamber of Commerce and Industry of Malaysia (NCCIM) had jointly organized a D-8 Business Forum on 3<sup>rd</sup> July 2008 – attended by the business community of Malaysia and those from a number of the D-8 member countries.
3. The business forum was a platform to provide an opportunity to the business community of the D-8 to explore and appraise business opportunities and collaborations which could arise within the D-8 trade bloc.
4. The forum reiterated on the strategic importance of the private sector of D-8 to have the appropriate mindset and actions geared towards the D-8. It was also impressed upon the them that the governments of D-8 member countries have collectively devised and laid out the framework and initiatives, including D-8 Preferential Trade Agreement and the operational mechanism that are being put in place, to increase intra D-8 trade and business collaborations. The key message to the private sector of D-8 was that realization of such ends will require an alignment of private sector activities towards the same; i.e. the governments are the “facilitators” and it is “private sector driven” to see the results and reap the benefits.
5. The forum also reiterated to the business people that the perspective to be adopted is not just “intra D-8” but also in the context of D-8 with various possible regional markets, including those possibilities arising from a member country and its regional markets.
6. In illustrating the issue the forum posed as an example, a scenario on Nigeria – and posed the following question; “how can the private sector of D-8 working in some degree of collaboration, leveraging on the strength of its fellow member countries, reap a sizeable portion of the business opportunities not only in Nigeria but also to seize effective entry and penetration into the West African Market?”
7. In this respect, the private sector was urged to learn in greater detail both the D-8 PTA and the opportunities and collaborations that can arise.; with a reiteration on the need to inculcate a habit of adopting a D-8 perspective whenever there is a need to evaluate and review business opportunities and collaborations within the arena of D-8.

8. It was also strongly reiterated that the business community should capitalize on the opportunity to hold discussions and meetings at the side line of the forum - collectively initiating on the probable areas of collaborations.

9. The forum also called upon the business community of the D-8 to voice out their concerns and impediments in doing business amongst the member countries of D-8; these feedbacks should be channeled back to the governments of their respective countries and would be valuable feedback towards corrective measures to be initiated. In evaluating collaborative business ventures, the business community was reminded that there are avenues where they can channel their problems in implementing their projects to the D-8 Governments and there could be request for special concessions and assistance from the D-8 Governments.

10. The detailed sessions of the forum, presented concurrently in 3 breakout workshops, had a focus on 3 sectors – namely Biotechnology, Halal Industry and Renewable Energy.

11. The choice of the 3 sectors was driven by the belief that they offer ample scope of opportunities for the business community of D-8 to realize meaningful and sizable business collaborations. At the same time it was also reiterated the focus did not connote a limiting factor on the scope of probable business collaborations that could be explored and pursued.

12. The Biotechnology sessions, with the theme “Developing the Halal Industry Using Biotechnology” was intended to spur business thinking to enhance the realization of collective commercial collaborations amongst the D-8 business community.

13. The biotechnology sessions also saw 2 significant proposals for collaboration:

- Cooperation in research and development towards the production of bio-pharmaceutical and bio-materials using genetic engineering processes – which arise as result of deliberations that technological advancement in microbial-based will result in safer and greater quality bio-products as compared to bio-products that are bovine (animal ) based.
- A Summit of D-8 researchers and scientists to share latest advancement and findings in biotechnology that could contribute towards developing and strengthening the Halal Industry within and amongst D-8 members.

14. It was the same at The Halal Industry and Renewable Energy sessions: again where the sessions within are intended to spur business thinking to enhance the realization of collective commercial collaborations amongst the D-8 business community.

15. The Halal Industry sessions emphasized on the scope and the magnitude of the Halal Industry; and it presents a span of business opportunities that could be pursued by the business community of D-8 – working collaboratively on bilateral and multilateral basis.

16. The sessions emphasized on 3 dimensions - “Halal Integrity”, “Capacity Building”, and “Awareness and Education with the Branding and Promotion” as the key strategic thrusts that needs to be developed in order for the Halal Sector to realize its full potential.

17. The forum also presented on the “focus development areas” based on demand and potential of the industries to make an impact – namely Specialty Processed Food, Cosmetics and Personal Care, Halal Ingredients and Livestock.

18. The key emphasis delivered was the need for the business community of D-8, including within the context of OIC and leveraging on the strengths amongst the D-8 countries, explore and appraise collaborative commercial opportunities to tap into the global industry.

19. In the Renewable Energy sessions the key concerns raised entail the rising cost of energy and fuel and how D-8 can move as catalyst to spur a solution in the global arena.

20. The forum explored on the various aspects of renewable energy sector and the opportunities that might be available for the private sector of D-8 to have collaborative efforts; but by and large it was felt that the development of alternative energy projects would be more efficacious in implementation if it was a Public-private Partnership.

21. The private sector of the D-8 community, working in collaboration with their respective governments and through the coordination of the network of National Chambers of Commerce in D-8, will endeavour to have “follow through actions” beyond the forum to enhance the realization of tangible collaborative business developments. The D-8 private sector will be organized in a more coherent manner through the network of National Chamber of Commerce and it will be better able to channel private sector inputs to the governments of D-8 in respect of realizing greater levels of collaborations in trade and investment amongst the D-8.

22. In ending our report, we herewith submit 2 submissions for the consideration of the D-8 Council of Ministers.

- We support a call for more collective “political will or push” within D-8 to create a charge on specific chosen directions and policies directed at selected business sectors and projects therein. It will be an effective trigger towards a series of collaborative intra D-8 business developments. The “will or push” is an effective means to trigger the generation of momentum and the inertia that will ensure the continuity of substantive degree of collaborative business developments – reflecting a truly D-8 Governments – Private sector collaboration for the benefit of the D-8 bloc.
- We also support, perhaps if feasible, a call to have meetings of senior economic officials and Economic Minister of the D-8 countries – this will be an enhancement of efforts of D-8 in realizing a dynamic trade bloc.

23. With the aforesaid submissions, we herewith end our presentation on the Report on D-8 Business Forum

Thank you



**Meetings of Principal Organs  
Between 5th and 6th  
Summits**

**2006-2008**

D-8 Secretariat, Istanbul  
November 2008

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**Report of the  
21<sup>st</sup> Session of the Commission**

**REPORT OF THE XXI. SESSION OF D-8 COMMISSION**  
**(New York, 19 September 2006)**

1. The Government of Indonesia hosted the XXI. Session of the D-8 Commission in New York on 19 September 2006. The delegations from the Arab Republic of Egypt, the Republic of Indonesia, the Islamic Republic of Iran, Malaysia, and the Islamic Republic of Pakistan and the Republic of Turkey attended the meeting. The list of Participants is attached as **Annex I**.
2. The meeting was chaired by H.E. Ambassador Mochamad S. Hidayat, the D-8 Commissioner of Indonesia, who is also acting as the Secretary General of D-8. In his opening statement, he underlined that the meeting was held with a view to discuss and evaluate the progress of D-8 cooperation. He further emphasized on the need to implement the programmes of activities agreed upon in the Bali Summit and to formulate new initiatives to strengthen D-8 cooperation.
3. The provisional agenda of the meeting was adopted and attached as **Annex II**.
4. In his capacity as the Acting Secretary General of D-8, H.E. Ambassador Mochamad S. Hidayat presented his report on the Development of D-8 cooperation since the convening of the Fifth Summit of D-8 in Bali on 13 May 2006. He reported that following the decision of the Summit, the status of the Secretariat has been upgraded and its structure has been strengthened. In this regard, he has taken the responsibility as Acting Secretary General of D-8 since 21 August 2006. He also highlighted the implementation programmes under the Calendar of Events agreed upon in the Bali Summit. Out of twelve programmes, only two of them have been implemented, namely the Working Group on Energy and the International Seminar on Olive and Saffron Cultivation. The Report of the Acting Secretary General is attached as **Annex III**.
5. The meeting considered and adopted the report of the third D-8 Working Group Meeting on Energy held in Bogor, Indonesia on 6-7 July 2006, and the Report of the International Seminar on Olive and Saffron Cultivation held in Peshavar, Pakistan on 12-13 June 2006. In this regard, several delegations stressed the importance of the energy cooperation among D-8 countries, in order to take maximum benefit from the huge energy potential in the respective D-8 country.
6. Member countries who have proposed to hold cooperation programmes were requested to provide more information on the dates and schedules of the proposed programmes under the calendar of event. Discussions took place on the importance to take priority in D-8 cooperation so as to make it more effective and efficient.
7. The meeting discussed on how to further develop D-8 cooperation through concrete programme activities. Delegations shared the view on the importance of capacity building programmes to exchange experience, and information as well as best practices among D-8 countries. In this regard, Indonesia will hold Capacity Building Program on Microfinancing for D-8 member countries, on 6-12 November 2006. The meeting encouraged other member countries to hold capacity building programmes in various fields of development, including in international trade.
8. The delegation of Egypt and the Commissioner of Malaysia indicated their willingness to hold the fourth Working Group meeting on Energy in Egypt and the Working Group on Industry in Malaysia next year.
9. The remaining programme of activities under the calendar of events for the 2006/2007 are of the following:

- a. Capacity Building on Micro Financing (Jakarta on 6-12 November 2006)
  - b. The first of the series of HLTO Meetings to conclude the Draft Rules of Origin and other related instruments to implement the PTA (by Pakistan),
  - c. The Commission Meeting some time after the Summit (by Indonesia),
  - d. Working Group Meeting on Industry (by Malaysia in 2007),
  - e. Workshop on Data Collection and Classification Systems and Management of SMEs (by Pakistan),
  - f. Expert Meeting on environmental questions including Nature-Based Tourism (by the Islamic Republic Iran),
  - g. Workshop on new specific projects in the field of industry such as Digital Microscope, DNA Typing, Finger Printing Technology, Compressed Natural Gas (by the Islamic Republic of Iran and other member countries),
  - h. A meeting to initiate cooperation between D-8 scientific institutions, research institutes and universities (by Egypt and Nigeria),
  - i. Workshop on Financial Infrastructure Development in Takaful (by Egypt),
  - j. Workshop on Emerging Threats and Opportunities of Globalization for Rural Development: Defining the D-8 Future Rural Development Agenda (by Bangladesh)
10. The meeting agreed that the next meeting of the Commission would take place in Indonesia in early November 2006. Indonesia as the chair country would consult other D-8 member countries on the most feasible dates for such meeting.
11. The delegations expressed their appreciation to the Government of Indonesia for the warm hospitality and the excellent arrangements made for the meeting.

**Report of the  
22nd Session of the Commission**

## REPORT OF THE XXII SESSION OF D-8 COMMISSION

Jakarta, Indonesia, 12-13 November 2006

1. The Government of the Republic of Indonesia hosted the XXII Session of Developing Eight (D-8) Commission in Jakarta on 12-13 November 2006. The meeting was attended by delegates from The People's Republic of Bangladesh, Arab Republic of Egypt, The Republic of Indonesia, Islamic Republic of Iran, Malaysia, Federal Republic of Nigeria, the Islamic Republic of Pakistan and Republic of Turkey. The list of commissioners is attached as **Annex I**.
2. The meeting was chaired by H.E. Ambassador Mochamad S. Hidayat, the D-8 Commissioner of Indonesia, who is also Acting D-8 Secretary General. In his opening statement, Ambassador Hidayat underlined the importance of the meeting to discuss ways and means in improving the effectiveness of the D-8 cooperation, as well as to evaluate its progress since the Bali Summit held earlier this year. He further emphasized the need to speed up the implementation of the programme of activities which has not been fully implemented.
3. The meeting adopted the provisional agenda as attached in **Annex II**.
4. In his capacity as the Acting Secretary General of D-8, H.E. Ambassador Mochamad S. Hidayat presented his report on the Development of D-8 cooperation since the XXI meeting of Commission on 19 September 2006 in New York. The report covers the progress of the agreed programmes under the approved Calendar of Events, Job Description for the Secretary General's Office and the Financial Status and other administrative arrangement. He highlighted the lack of participation or postponement on the agreed programmes and the need to find a way to solve such problem by not only reaffirming D-8 shared commitment but also by creating practical initiatives to respond to what D-8 member countries really need. He urged member countries to respond to the proposal by the Secretariat to enhance D-8 cooperation which was circulated earlier. The full Report of the Acting Secretary General is attached as **Annex III**.
5. The meeting considered and adopted the report of the Capacity Building Programme on Microfinance, held in Jakarta, Indonesia on 6-12 November 2006. Delegation of Indonesia reported that the programme was conducted successfully as the first D-8 capacity building programme. The programme made a set of recommendations to establish D-8 strategic alliance on microfinance. One of the most feasible recommendations to be implemented in the future was the setting up of the D-8 website on microfinance that would be coordinated by Indonesia. The full Report is attached as **Annex IV**.
6. The meeting exchanged views and discussed the implementation of the agreed calendar of events and ways on how to make D-8 cooperations more effective in the future. It was noted that two programmes, namely *the Workshop on Digital Technologies in Teheran*, and *the Workshop on Financial Infrastructure Development on Takaful in Cairo*, have been postponed due to the lack of participation of member countries. All delegations expressed their concern and views on this matter, and made several suggestions to avoid similar situations reoccurring in the future.
7. After extensive discussion among delegates, it was agreed to set up a certain mechanism for future cooperation, particularly on procedural and substantive matters to implement D-8 proposed programmes and activities, as follows:
  - a. Member countries who have proposed the programmes under the agreed calendar of event should submit the Term of Reference (TOR)/Brief for each proposed programme within the

period of two months after the 22<sup>nd</sup> meeting of Commission. The TOR would include detailed information on the proposed programme, its objectives, date and venues and other background information for consideration by other member countries.

- b. Any new proposal from member countries should be attached with TOR which contains detail information of the program and be submitted to the Secretariat for circulation to all member countries for further consideration by the Commissioners. A period of three months is suggested for the consideration of member state on such proposal.
  - c. Reviving the role of the country coordinator for different fields of cooperation as previously agreed by D-8 leaders is needed to strengthen the focus of the programme activities. In this context, member countries who propose programme are recommended to be in contact and coordinate with the country coordinator through the Secretariat, bearing in mind the need to avoid the delay in the implementation of the programme.
  - d. Involving more participation of private sector and business community as well as international organizations and financial institutions in D-8 programme activities was suggested.
  - e. Designing D-8 capacity building programmes in various fields of development cooperation in the form of training programmes and dissemination of information.
  - f. Indonesia as the Chairman of D-8 would arrange regular meetings and briefings with D-8 Ambassadors in Jakarta to improve coordination and monitoring mechanism of the programme's implementation and activities of the D-8. The Commissioners, through the Secretariat, will be kept informed on the progress /outcome of the meetings.
  - g. The Acting Secretary General would seek the possibility of cooperation between D-8 and United Nations bodies such as UNCTAD, UNIDO and UNDP as well as other relevant international organizations and financial institutions in creating tangible programmes for D-8.
8. As the follow up action to the mandate given by the Council of Ministers during its Tenth Session in New York on 19 September 2006, the meeting agreed on the following:
- a. Member countries were requested to express their willingness, within one month after the 22<sup>nd</sup> Meeting of Commission to host the meeting of Immigration Officials as recommended by the Council of Ministers, in order to accelerate the entry into force of the D-8 Visa Agreement.
  - b. Member countries were also requested to express their willingness, within one month after the 22<sup>nd</sup> Meeting of Commission, to host the meeting of civil aviation and D-8 national carriers.
9. The delegation of Indonesia informed the meeting that it will host another capacity building programme on Trade Dispute Settlement Mechanism in May 2007, back to back with the 23<sup>rd</sup> meeting of Commissioner. Meanwhile, the meeting of the Council of Foreign Ministers would be held in New York amidst the UNGA as it has been the practice of D-8.



10. The meeting took note of the readiness of Pakistan to hold the HLTO Meeting to conclude the Draft Rules of Origin and other related instruments to implement the Preferential Trade Agreement (PTA), in Islamabad, on 18-19 December 2006. Keeping in view the importance of the meeting towards the implementation of the PTA, member countries were urged to fully participate in the meeting.
11. On the proposed meeting of the Working Group on Industry, the delegation of Malaysia requested member countries to respond as soon as possible to the questionnaire circulated to all member countries in order to make necessary preparation for the Working Group Meeting on Industry scheduled for the first quarter in 2007.
12. The meeting agreed to design a new website under the D-8 Secretariat. Within two weeks, the Secretariat would prepare a proposed budget and cost analysis for establishing such website for consideration by the Commissioners. All the data stored at the existing website maintained by Iran and Turkey would be accommodated in the new website.
13. Member countries were requested to consider and provide comments on the draft job description for the Staff of the Secretariat. Written comments and suggestion should be submitted to the Secretariat as soon as possible.
14. The meeting called upon member countries in arrears to fulfill their commitment for financial contribution to the D-8 Secretariat.
15. The delegations expressed their appreciation to the Government of Indonesia for the warm hospitality and the excellent arrangements made for the meeting.

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**Report of the  
23rd Session of the Commission**

REPORT OF  
THE 23<sup>RD</sup> SESSION OF THE D-8 COMMISSION  
JAKARTA, 28 - 29 MAY 2007

1. The Government of the Republic of Indonesia hosted the 23<sup>rd</sup> Session of Developing Eight (D-8) Commission in Jakarta on 28-29 May 2007. The Meeting was attended by delegates from 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 and the Republic of Turkey. Also in attendance was the Secretary General of the D-8, Dr. Dipo Alam. The list of delegations is attached as Annex I.
2. The Meeting was chaired by H.E. Ambassador Rezlan Ishar Jenie, the D-8 Commissioner of Indonesia. In his opening statement, Ambassador Jenie underlined the importance of the meeting not only to evaluate the progress and achievement of D-8 after one decade of cooperation but also to consider ways and means in enhancing the D-8 cooperation for the coming decade. He further highlighted the implementation of the program of activities, while expressing concern on the postponement of several agreed programs. He called upon the member countries to collaborate for greater effectiveness and efficiency in order to lift the cooperation into a higher level that would contribute to national development and the benefit of the people of D-8 countries. Ambassador Jenie also congratulated the new Secretary General for assuming his duties and thanked Ambassador Slamet Hidayat who had temporarily functioned as Acting Secretary General of D-8. The full text of his statement is attached as Annex II.
3. The Meeting adopted the provisional agenda as attached in Annex III.
4. The Secretary General of the D-8 presented his report on the development of the organization since the last Session of the Commission in Jakarta on 12-13 November 2006. The report covered a review of the outcome of agreed activities, the working visits he conducted to some countries and international organizations, a proposal for the permanent Secretariat and a preliminary draft of D-8 cooperation Roadmap 2007-2017, including newly proposed programs for future cooperation. He also informed the meeting of the establishment of the D-8 Website and database aimed at drawing public awareness about D-8.
5. The Meeting discussed the report of the Secretary General and exchanged views on some issues of importance to the member countries such as lack of attendance in scheduled activities, the need to immediately finalize the Rules of Origin (RoO) protocol, the pending issues from the last Commission meeting and the private sector participation in D-8 activities. The Meeting thanked the Secretary General for his comprehensive report. The report of the Secretary General of the D-8 is attached as Annex IV.
6. The Meeting listened to the presentations of the reports of the meetings that have been convened since the 22<sup>nd</sup> Session of the D-8 Commission, which were:
  - a. the First Meeting on Ecotourism held in Tehran, Iran on 13 November 2006;
  - b. the 7<sup>th</sup> Meeting of the HLTO held in Islamabad, Pakistan on 18-19 December 2006;

- c. the Workshop on Data Collection, Classification and Management of SMEs held in Islamabad, Pakistan, on 12-13 March 2007;
- d. the D-8 Capacity Building Programme on the Settlement of Disputes in International Trade, Investment and Intellectual Property and through Regional Mechanisms held in Jakarta, Indonesia, on 27-29 April 2007;
- e. the 8<sup>th</sup> Meeting of the HLTO held in Islamabad, Pakistan on 3-4 May 2007; and
- f. the 3<sup>rd</sup> Meeting of the Working Group on Industry held in Kuala Lumpur, Malaysia, on 22-23 May 2007.

The Meeting considered and adopted the reports of the aforementioned meetings which are attached as Annex V.

- 7. The Delegations conveyed their appreciation to the member countries that have convened the aforementioned meetings. They underlined the importance of concluding the negotiation on the Rules of Origin Protocol and the Offer List to launch the D-8 PTA immediately.
- 8. The Delegations expressed their concern on the postponement of the agreed programs of activities and agreed that in order to avoid future postponements; member countries should reinforce the decision of the 22<sup>nd</sup> Session of the Commission on the need to provide Terms of Reference (TOR) 3 months before the implementation of events. It was also agreed that event would be postponed should there be no response from a minimum of 5 (five) member countries at least 7 (seven) working days before the announced date of the event.
- 9. With regard to the discussion on Calendar of Events, the Meeting agreed to first register the activities where the members were willing to host, while the new activities proposed by the Secretary General will be taken into consideration. The Meeting agreed to put the following activities under the Calendar of Events:
  - a. Workshop on Emerging Threats and Opportunities of Globalization for Rural Development on 24-28 June 2007 in Bangladesh;
  - b. Workshop on Eco Tourism on 27-28 August 2007 in Tehran, Iran;
  - c. Workshop on Health Technology cooperation (Spinal Cord injury, Bioflesh, safe and efficient drugs for HIV carriers and AIDS patients) on 29-30 October 2007 in Tehran, Iran;
  - d. Meeting of the Directors General of Civil Aviation tentatively scheduled for the beginning of September 2007 in Antalya, Turkey;
  - e. The 11<sup>th</sup> Meeting of the Council of Foreign Ministers will be held in 2007 and will be preceded by the 24<sup>th</sup> Session of the D-8 Commission;

- f. Fourth Meeting of D-8 Working Group on Industry on April 2008 in Indonesia;
  - g. Workshop on Energy and Investment, to be hosted by Egypt;
  - h. Meeting on Islamic Finance to be hosted by Malaysia;
  - i. Workshop on Financial Infrastructure Development in Takaful to be hosted by Egypt.
  - j. A meeting to initiate cooperation between D-8 scientific institutions, research institutes and universities to be hosted by Nigeria;
10. The Meeting has taken note of the suggestion by the delegation of Iran to convene Ministerial Meeting on Tourism including Tourism Exhibition. Further consultation will be conducted in this regard. The Meeting further took note of the offer by the Delegation of Pakistan to host HLTO Meeting subject to understanding that prior to the meeting the Secretariat would have already coordinated with the member states to reach a conclusion on the RoO Protocol by the end of 2007.
  11. The Delegations emphasized the importance of involving the private sector in D-8 programs in order to make the D-8 activities more effective in addressing the developmental needs of the respective D-8 countries.
  12. The Delegations gave their initial comments on the Preliminary Draft of D-8 Cooperation Roadmap 2007-2017 submitted by the Secretariat. It was agreed that member states will forward their written comments to the Secretariat in two months time and the Secretariat will improve the draft. The revised draft will be discussed in further details at the next Session of the Commission. The Delegations also expressed their wishes that the Roadmap shall serve the purpose and objectives of the D-8.
  13. The Meeting expressed its appreciation to the Secretary General for preparing a set of proposals, including regulations on Staff, Financial and Budgetary matters for the future permanent Secretariat. Bearing in mind the temporary arrangements of the Secretariat, the Meeting considered the need to finalize the proposal before the 6<sup>th</sup> Summit of the D-8 on 2008 in Kuala Lumpur. It was agreed that member countries will study the proposal and submit inputs and comments on this matter before the next Session of the Commission. The proposal is attached as attached in Annex VI.
  14. The Meeting agreed to the proposal of the Secretary General to mark the Tenth Anniversary of the D-8 by issuing a short congratulatory message from the D-8 Heads of State/Government and Foreign Ministers. The messages would be posted on the website of the D-8 and other relevant institutions in D-8 member countries.
  15. The Meeting took note of the request of the Government of the Republic of Turkey to other D-8 countries to support her nomination to host World Expo in Izmir in 2015.

16. The Commissioners and the other delegations expressed their sincere appreciation to the Government of the Republic of Indonesia for hosting the Meeting, the warm hospitality and the excellent arrangements made for the Meeting.

**Report of the Secretariat in the 23<sup>rd</sup> Commissioner Meeting,  
Jakarta May 28-29, 2007**

Honorable Commissioners distinguished Ladies and Gentlemen,  
Assalamualaikum Warrahmatullahi Wabarakatuh,  
May the Almighty Allah bless all of you.

It is a great pleasure for me to welcome you in Jakarta and address you as your Secretary General. I have been in the post since my arrival in Istanbul, on February 17, 2007.

I would like to introduce my colleagues and staffs of the Secretariat. Some of you had the opportunity to meet them before. Ambassador Kia Tabatabaee from Iran functions as Director, and Ms. Ayse Keskinilic as Economist from Turkey of the Secretariat. We also supported by staffs: Mr. Nirwansyah; Ms Sevda Cayirly; Mr. Mehmet and Mr. Kediri

As you note we are a small-staffed secretariat but quite and efficient one in our discharge of our duties. Before continuing further, I would like to take this opportunity to recognize the invaluable contributions of Ambassador Mochamad Slamet Hidayat who functioned temporarily as Acting Secretary General of our organization. I would wish to briefly report to you the main activities and preoccupations of the Secretariat ever since your last meeting in Jakarta 12-13 November 2006.

My report will be consisted of a review of the outcome of activities as suggested to be followed up in the recommendations and programs of the Fifth Summit last May 2006 in Bali, Indonesia; Ministerial Council Meeting in September 2006 in New York, USA; 22<sup>nd</sup> Commissioner Meeting in December 2006 in Jakarta, Indonesia; Working Groups and Capacity Building in various capitals (see details in the **Attachment 1**).

The report also explains my working visits to different capitals for promotion of cooperation among member states, meeting international dignitaries, and visits to chamber of commerces and trade fairs. This is an initial effort and modality to attract international organizations and private sectors' interest in our cooperation (see details in the **Attachment 2**).

I will also touch upon certain activities by the Secretariat on its status, and preparing draft on the function, rules, procedure and the structure of the Secretariat (details in the **Attachment 3**, and will be presented by Ambassador Kia Tabatabaee).

Finally yet importantly, I will explain views of the Secretariat on the future of our cooperation and programs, including idea of developing our next decade "D-8 Roadmap Cooperation 2007-2017 (see **Attachment 4**)

The following are brief explanations of my report:

**1. Implementation of Program and Activities**

- The First D-8 Expert Meeting on Ecotourism was held in Tehran on 13 November 2006. The following topics were discussed:
  - Preparing a text for Draft Convention on Nature-based Tourism

- Designating an outstanding Ecotourism Site to be considered as Pilot Site in each member state
- Cooperation among ecotourism Tour Operators and Tour Operators meeting
- Member States' support for Technical Visits and interaction among National Authorities for Ecotourism.
- The next meeting was agreed to be held within 4-6 months

Unfortunately, on such an important topic of cooperation only representative of Turkey attended from capital, other participants were from respective Embassies in Tehran. The Secretariat highly recommends the Commissioners to consider expanding the scope of this activity to cover other relevant areas of tourism industry. My visit to calling on H.E. the Vice President of Iran in Teheran resulted idea of D-8 having a regular Tourism Summit on ministerial level (see Attachment 2).

➤ Workshop on Data Collection, Classification and Management of SMEs Islamabad, 12-13 March 2007

The Workshop was implemented very well, with full enthusiasms of the participants. Some of the recommendations of the Workshop are:

- It was agreed that all countries should prepare and share with each other a brief on SME sector including definition of SMEs, need of data for them, methodology, responsible organization(s) and complications involved in the process.
- D – 8 Secretariat may encourage all member countries to arrange virtual meetings of concerned representatives from each country on quarterly basis. These virtual meetings (e.g., Call Conferencing, Video Conferencing etc) will provide a very cost effective and efficient mean to interact with each other periodically and will carve way to establish a common data warehouse of D – 8 countries.
- It was agreed that effective policies/decisions making, implementation and evaluation of policies need information in the form of data. The availability of such data may be ensured by the producers of statistics in each country.
- The availability of data and gaps has been pointed out in the aide-memoir of the World Bank for Education sector. Such types of aide-memoir are also required for other sectors of the economy, including SME sector.
- There is a need of determining contribution of Information Technology towards national economy.
- It was mutually agreed that further steps would be taken to materialize the aim of establishing a common data warehouse among the member countries.

➤ D-8 Capacity Building Program on Trade Dispute Settlement, Jakarta 27-29 April 2007

With the generous of the Government of the Republic of Indonesia and the collaboration with UNCTAD, this very useful program was held and all participants actively engaged in its contents and substances. Although it was anticipated to become a training program, but the importance of the topics necessitates a follow up programs as well. It is an offer by the UNCTAD that similar workshop in this issue and other trade training program could be regularly continued by D-8, together with UNCTAD, prepares a proposal that might be sponsored by international organizations or financial institutions.

➤ 7<sup>th</sup> and 8<sup>th</sup> Meeting of HLTO, Islamabad 18-19 December 2006 and 3-4 May 2007



The following topics were negotiated and agreed at 7<sup>th</sup> and 8<sup>th</sup> HLTO meetings (details will be presented by Ms Ayse Keskinilic);

- Product specific rules were removed from the text of RoO protocol.
- 40% value addition criteria and 40% cumulation content were agreed by all member states except Egypt
- After very detailed discussions Ex-factory price was agreed as the base price to determine origin as proposed by Egypt
- Egyptian delegation introduced several points which are yet to be agreed by member states

I would like to express my gratitude to the Commissioner of Pakistan and his authorities for hosting HLTO meetings and providing a very conducive environment for all of us to finalize the RoO. I am sure that the Commissioners are able to decide on the modality of the implementation of the results of RoO at this juncture.

➤ 3<sup>rd</sup> meeting of Working Group on Industry, Kuala Lumpur, 22-23 May 2007;

Discussion on Terms of Reference of the Working Group on Industrial Cooperation (WGIC) can be reported as the following:

- The Meeting discussed and adopted the TOR of the WGIC prepared by Malaysia with amendments. The TOR is to be tabled for endorsement by the Commission of D8;
- The meeting decide that there would not be a co-chairman for future WGIC meetings and to include the establishment of an Expert Group for specific sectors;
- The meeting agreed that the existing website of D-8 should be utilized to promote information exchange on industrial cooperation. Member countries of the WGIC could submit detailed proposals to D8 Secretariat for necessary action;
- The meeting proposed D8 Secretariat to provide support or WGIC country coordinator to establish a permanent secretariat for future meetings;
- Some industrial sectors programs were proposed: Agricultural Machinery (Iran); Food Processing, including issue on Halal food (Malaysia); Food and Beverages (Turkey); Metal and Mining (Turkey); Textile (Indonesia and others); Power Generating Machinery (Turkey); Mutual Recognition standard (Indonesia); and
- The Meeting proposed the following country presentations at the EGIC Meeting in Indonesia in 2008:
  - Malaysia, Management of Airport and Port Services and status of SME collaboration with Pakistan;
  - Turkey- automotive sector;
  - Indonesia- Automotive and other Sectors; and
- Pakistan Chemical and Petrochemical.

I wish to bring to the attention of distinguished Commissioners that Workshop on Takaful in Cairo, Egypt; Digital Technologies in Teheran, Iran; and and Rural Development in Dhaka, Bangladesh meetings were postponed due to inadequate participation from member states.

I would like to express my gratitude to those member states who have graciously volunteered to host these meetings and especially to the Commissioner of Bangladesh for announcing new schedule for rural development meeting.

I request the attention of Commissioners, who will host the programs to prepare enough time for providing agenda, minimum two-three month before, and should be circulated by other Commissioners and the Secretariat as soon as possible. I also request to Commissioners who invited by the hosting country and the Secretariat, to select appropriate delegates, accompanied by private sector delegates, so allows them and able to come promptly to the events. This may avoid delays and postponements of our agreed programs

## **2. Promotion and Technical Cooperation through Working Visits**

From the day one of my mission as the Secretary General of the organization, I gave priority to establish friendly working relations with the authorities of home country Turkey, as well as taking advantages to meet authorities of governments and chamber of commerces, attending workshops and conferences, as well as trade fairs (see details in the Attachment 2). The purpose of these visits and meetings are to promote the existence, programs and potential cooperation of D-8 with related and particular institutions and agencies, and involving private sectors in our cooperation as suggested by the Summit.

I would like to directly quote from fifth Bali Summit Declaration on the importance of cooperation with international organizations and involving private sectors in our cooperation programs: “We note with great concern the ever increasing economic disparities between developed and developing countries in the current era of globalization. This prevailing imbalance should be overcome through *closer collaboration between development partners, international development agencies, multilateral financing institutions, and related cooperation mechanisms*. In this regard, we call for greater international support for the development efforts of the developing countries”.....”*Recognizing the important role of the private sector in our economic development, we continue to encourage D-8 businessmen to participate in D-8 activities and generate closer interaction between governments and private sectors for achieving the objectives of D-8 cooperation.*

In Ankara, Turkey, I called on Foreign Minister Abdullah Gul; State Minister or Foreign Trade K. Tuzmen; Undersecretary of Defense Industry, Mr. Murad Bayar, Civil Aviation authorities; D-8 Commissioner of Turkey, Mr. Selim Kunalalp; Ambassador of Indonesia and D-8 Ambassadors.

In Cairo, Egypt, I had a chance to discuss D-8 cooperation with Foreign Minister H.E. Mr. Ahmed Aboul Gheit; Minister of Petroleum Mr. Sameh Fahmi; Ministers of Investment Mr. Mahmoud Mohieldin and First Assistant Minister to Trade and Industry Ms. Samiha Fawzy, as well as authorities of Egypt Chamber of Commerce; and Egypt-Indonesia Business Council.

My working visit to Malaysia, in Putra Jaya in April 29-30, 2007, allowed me to discuss various issues on industrial and trade cooperation, as well as banking and takaful, together with Ambassador Ibrahim Abdullah, D-8 Commissioner of Malaysia, as well as other representatives of industry and trade, in the preparation of WG on Industry, Banking, and palm oil association.

In Islamabad, Pakistan, when I attended the 8<sup>th</sup> HLTO and 3<sup>rd</sup> RoO meeting, May 3-4, 2007, I had calling on Pakistan Foreign Minister H.E. Mian Khurshid Mahmud Kasuri, D-8 Commissioner of Pakistan, other Prominent Authorities of Pakistan and Pakistan Chamber of Commerce

In Dhaka, Bangladesh: Calling on the Government officials of Foreign and Trade Ministry as well as Chamber of Commerce

In Teheran, Iran: Calling on Vice President of the Republic in charge of Cultural Heritage and Tourism Organization, President's Advisor for Information Technology Cooperation Mr. Sajadi, Deputy Minister of Trade Sarmadi, Deputy Minister Industry and Mining Mr. Shaterzadeh as well as Authorities of Chamber of Commerce.

In Geneva, Swiss: UNCTAD , Director, Division on International Trade in Goods and Services, and Commodities Mrs. Lakshmi Puri, WTO, Deputy Director General WTO, Mrs. Valentine S. Rugwabiza, ITC Executive Director, Mrs. Patricia Francis, WIPO, Deputy Directorate General, Mr. Narendra K. Sabharwal

Jakarta, Indonesia Minister Energy and Mines; Working Lunch; KFW Country Director Mr. Manfred Kiefer;

In OIC 34 Foreign Minister, Islamabad, May 15-17, 2007, I had the opportunity to discuss with authorities of Islamic Development and discussed the support of IDB for Civil Aviation Cooperation Program and other D-8 potential cooperation programs.

In this opportunity, I would like to express my sincere thanks to the contribution of member states, especially Indonesian Government, the Foreign Ministry, for providing me sufficient trip budget making my working visits meaningful one. I also thanks to the host countries and institutions, as well as Indonesian Embassies and their Consulates, who facilitated me and accompanied me to see some officials in the visited countries.

### **3. Protocol Rules of Origin**

I intentionally decided to highlight this topic in my report, because of the pivotal role of Room in promotion of trade in D-8. I would like to directly quote from fifth Bali Summit Declaration on the importance of Preferential Trade Agreement (PTA), where our Head of States indicated that: "We instruct the High Level Trade Officials (HLTO) through the Commission to finalize the draft text of Rules of Origin for the implementation of the PTA".

Right now, we are at a very last and final step to operationalize PTA. Many rounds of negotiations by competent expert from member states have resulted to a protocol on RoO and this is a very welcomed occasion. We are yet to have everyone on board and the question is 'can we start the implementation process of PTA now that the majority of the member states have agreed on RoO?' In other words, the 23<sup>rd</sup> Commission is called upon to agree on a "cluster approach" as a fast track alternative to expedite the PTA process.

In this opportunity, I would like call Ms Ayse Keskinilic explains the report of our RoO in more details regarding "the miles stone" of the negotiations.

### **4. Secretariat Activities**

I am not going to give you many details in this section but suffice to mention that during past few months of my functions in Istanbul, we were able to closely monitor and coordinate current issues with the offices of Commissioners through almost 220 correspondences. We have outsourced the

construction of our website and its database, and hope to launch that at the 10<sup>th</sup> anniversary of D-8 Cooperation 1997-2007, on June 15, 2007.

One of the main areas of our recent activities has been focused on public relations. In this respect, I called on Ambassadors in Ankara and Counsel Generals as well as local private sectors and businesspersons in different trade fairs trying to introduce and promote the image and objectives of our organization, and invite them to cooperate with us on common fields of interest.

Having constructed our website and database, a public relation consultant would be hired to update data and information day by day, also actively communicate with media in D-8 countries and international agencies (see samples in **Attachment 5**). I believe with this effort, our cooperation would easily recognized, and ease cooperation with international organizations and private sectors.

The secretariat spared a lot of its time and human resources to develop and prepare seven set of documents pertaining to the important future status of a permanent secretariat (see Attachment 3). These documents will be you to consider and discuss when we get to the agenda item No. 7. In this opportunity, I would like to invite Ambassador Kia Tabatabaee present details of the draft documents.

## **5. Proposed Issues and Programs**

### *Celebrating D-8 10<sup>th</sup> Anniversary*

As the 10<sup>th</sup> anniversary of our organization is approaching, the secretariat in its turn is planning to celebrate this occasion through inviting host country officials as well as the diplomatic communities in Istanbul or Ankara. I intent to send my warmest wishes to Heads of States of D-8, and draw their kind attentions to the main achievements of our organization. Therefore, asking more of their welcomed support. I am of the opinion that every one of distinguished Commissioners would be able to use the good offices in order to arrange similar activities to celebrate this occasion.

### *Roadmap 2007-2017*

Secretariat is also preparing a preliminary draft for D-8 Cooperation Roadmap 2007-2017 (see Attachment 4), and asks for the Commissioners' views on this topic. The idea behind this Roadmap is for the next decade D-8 cooperation has a clear vision, strategy, work plan and work activities. The first step will be taken by the secretariat to prepare the framework of the Roadmap, which will then be put at the disposal of the commissioners to study and reflect their views accordingly. If necessary, the study would be assisted by the expertise from international organization such as ADB, IDB or UNCTAD.

### *Considerable Programs*

Having discussed with authorities, international organizations, chamber of commerce and industrial associations, the following cooperation programs for the half-end of 2007 until May 2008, before the Sixth Summit, might be considered by commissioners:

- D-8 Summit on Tourism (ministerial level, agencies, private sector and tourism fair on eco based-tourism, cultural heritage, medical tourism; Hajj and Umroh Expo);
- Capacity Building for Developing D-8 e-Tourism (potentially cooperate with UNCTAD);

- Capacity Building for Developing data, statistic, policy measures, and indicator on industry, trade, investment, competitiveness, science and technology indicators (potentially cooperate with UNCTAD, ITC,;
- Working Group on ICT;
- Working Group on Clean and Renewable Energy;
- Working Group on Agricultural Organic Products;
- Working Group on Economy and Environment;
- Working Group on Migrant Workers, Remittance and Microfinance;
- Working Group on Investment;
- Working Group on Infrastructure;
- Working Group on Islamic Finance, Syariah Banking and Takaful;
- Civil Aviation and National Carrier Forum;
- Shipping Business Forum;
- D-8 + 4 (China, Japan, Korea and Russia) Oil, Gas and Coal Business Forum;
- Research on Mapping of D-8 Trade Policy/Measures and Regional Trade and Bilateral Agreements; and
- D-8 Science and Technology Award 2007 (Propose D-8 award on S&T to Professor Demir of Turkey, inventor of TED that save energy used by bulb. This invention using nanotechnology that reduced 50% of energy consumption and prolong the lifetime of bulb and replace the invention of Thomas Alva Edison that exist for 135 years up to now, see **Attachment 6**).
- Experts Forum for Preparing D-8 Roadmap of ooperation 2007-2017

**Report of the  
24th Session of the Commission**

REPORT OF  
24<sup>TH</sup> SESSION OF THE D-8 COMMISSION  
Yogyakarta, 22-23 November 2007

16. The Government of the Republic of Indonesia hosted the 24<sup>th</sup> Session of the Developing Eight (D-8) Commission in Yogyakarta on 22-23 November 2007. The Meeting was chaired by H.E. Rezlan Ishar Jenie, the D-8 Commissioner of Indonesia, and attended by delegations from all member countries of the D-8, namely, 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 and the Republic of Turkey. Also in attendance were the Secretary General of the D-8, Dr. Dipo Alam, and the Director, Amb. Tabatabaee. The list of delegations is attached as Annex I.
17. In his opening statement, Amb. Jenie reminded the meeting that it would be the last convened under the Chairmanship of Indonesia. He underlined that the meeting was not only meant to discuss or review the progress and achievements made since the previous meeting, but also to reach consensus on crucial issues. Among the issues are the finalization of the Rules of Origin (RoO) of the D-8 Preferential Trade Agreement and the need for serious consideration of the matter of strengthening the D-8 Secretariat. In addition, while commending the successful implementation of several D-8 programmes, he also expressed concern over the postponement of a number of others. The full text of his statement is attached as Annex II.
18. The Meeting adopted the Provisional Agenda, as attached in Annex III.
19. Prior to the beginning of discussions, the delegates expressed their sympathy and condolence to the Government and People of Bangladesh who have been devastated by Cyclone Sidr.
20. The Secretary-General presented his report on the progress and achievements of D-8 cooperation since the last Session of the Commission held in Jakarta on 28 - 29 May 2007. He enumerated on the implementation of the programmes, the revised draft of the D-8 Roadmap 2007-2017 and the proposal for the D-8 Permanent Secretariat. He also mentioned that the D-8 Agreement on Simplification of Visa Procedures is yet to be ratified by some member countries and called on them to take the appropriate actions. He also wished that the Customs Agreement could be implemented as early as possible. He also referred to initiatives for D-8 cooperation with other international organisations and the importance of looking into the issue of remittances of migrant workers from D-8 countries. He also emphasised the need for D-8 countries to further optimise the usage of the D-8 website for various organisational and promotional purposes. In this regard, the Meeting thanked the Secretariat for its hard work in preparing the report. The report of the Secretary-General of the D-8 is attached as Annex IV.
21. The Delegations conveyed their appreciation to the Government of Bangladesh, Turkey, Iran and Malaysia for convening the following activities:
  - a. Workshop on Emerging Threats and Opportunities of Globalization for Rural Development in Comilla, Bangladesh on 24-28 June 2007;
  - b. The First Meeting of Directors General of Civil Aviation in Antalya, Turkey on 27-29 June 2007;
  - c. The Second Meeting of Directors-General of Civil Aviation in Isfahan, Iran on 8-10 September 2007;

- d. Workshop for Preferential Trade Agreement Rules of Origin in Kuala Lumpur, Malaysia on 29-30 October 2007.
22. Regarding the D-8 Calendar of Events, there was general understanding that the D-8 would prioritise the implementation of events and activities that represented the realisation of directives given by the D-8 Leaders. The Delegations, however, expressed their concern over the postponement of a number of programmes due to lack of quorum. Furthermore, it was acknowledged that the postponements were also due to, inter alia, insufficient preparation time, lack of funding for certain member countries and conflicting schedules of the authorities concerned. In order to avoid postponement of planned programmes and increase the level of implementation of agreed programmes, the meeting agreed that :
- a. Member countries shall provide Terms of Reference (TOR) of all proposed programmes 6 weeks before their planned date.
  - b. The Commissioners will openly discuss the merits and drawbacks of any proposed programmes to ensure its feasibility and avoid duplication.
  - c. The calendar of events will be reviewed at the Commissioners' meetings which will be held regularly every six months to ensure that D-8 programmes and activities become cohesive and structured.
23. The meeting agreed to put the following activities under the Calendar of Events:
- a. Workshop on Financial Infrastructure Development Among the D-8 Countries on 26 November 2007 in Cairo, Egypt;
  - b. Third Seminar on the Regulations of Takaful on 27-28 November 2007 in Egypt, hosted by Malaysia;
  - c. Third Meeting of the D-8 Directors-General of Civil Aviation on 14-16 December 2007 in Istanbul, Turkey;
  - d. A Meeting to initiate cooperation between D-8 scientific institutions, research institutes and universities in March 2008 in Nigeria;
  - e. Ninth HLTO Meeting in the first quarter of 2008 in Pakistan;
  - f. Expert Meeting on the Roadmap and the Draft of Statutory Documents for the Permanent Secretariat in March 2008 in Indonesia;
  - g. A Meeting on Migrant Workers and Remittances in April 2008 in Bangladesh;
  - h. Fourth Meeting of D-8 Working Group on Industry in April 2008 in Indonesia;
  - i. Workshop on Eco Tourism in May 2008 in Iran;
  - j. Fourth Meeting of Directors-General of Civil Aviation in June 2008 in Indonesia;
  - k. Roundtable Discussion on Care, Support and Treatment of HIV/AIDS in June 2008 in Bogor, Indonesia;
  - l. Workshop on Energy in 2008 in Egypt;
  - m. Meeting on Islamic Finance in 2008 in Malaysia;
  - n. Experts Meeting on Automotive Industry in 2008 in Iran.
24. The meeting noted the proposals to consider cooperation in the areas of petrochemicals, organic food and agriculture, and health technology. It also noted the idea for the establishment of a permanent secretariat of the D-8 Chamber of Commerce by the Iranian Chamber of Commerce.



25. The Delegation of the Islamic Republic of Iran extended an invitation to host the First Ministerial Meeting on Tourism to be held in Teheran on 12-15 May 2008. The Member countries appreciated the invitation and will convey it to their relevant Ministers.
26. The Commissioner of Malaysia informed the meeting that the 6<sup>th</sup> D-8 Summit is scheduled to be held on 5-6 June 2008. It will be preceded by the 25<sup>th</sup> Session of the D-8 Commission on 2-3 June 2008 and the 11<sup>th</sup> Council of Ministers on 4 June 2008. Written confirmation on the dates and venue of the Meetings will be conveyed to the Secretariat and the member countries.
27. The meeting reiterated the importance of finalizing the RoO protocol in order to make the D-8 PTA operational. Further, the meeting urged the members to show flexibility in reaching consensus on outstanding issues. The meeting welcomed the offer by Pakistan to convene the 9<sup>th</sup> meeting of the D-8 High-Level Trade Officials (HLTO) in the first quarter of 2008 to finalize negotiations on the RoO and the Offer List. It was agreed that delegates should have the mandate to conclude the RoO protocol.
28. The meeting expressed appreciation to the Secretary-General for submitting the Revised Draft of D-8 Cooperation Roadmap 2007-2017. The meeting agreed in principle on the importance of the Roadmap to serve as direction for future D-8 undertakings and that certain principles should be taken into account in formulating the Roadmap. These principles, in particular, relate to the scope and scale of cooperation as well as the specific characteristics and interests of D-8 countries. In this connection, the meeting agreed to convene an expert meeting in Jakarta in March 2008 to discuss the Roadmap in detail and that member countries were to submit written comments on the Roadmap to the Secretariat by the end of January 2008. The Secretariat would subsequently improve the draft based on comments from member countries and circulate the revised draft by the end of February 2008 for further discussion at the expert meeting.
29. The meeting considered at length the proposed Set of Regulations for the Permanent Secretariat. The meeting agreed that the D-8 needs to review the Secretariat's present transitional arrangement. The meeting also agreed that Member countries will submit written inputs and comments to the Secretariat on the proposed Set of Regulation by the end of January 2008. The Secretariat will produce a revised document, taking into account the vision, objectives and future needs of the D-8.
30. The Commissioners thanked the Government of the Republic of Indonesia for its exemplary chairmanship of the D-8 during the past two years, and expressed their sincere appreciation for the warm hospitality extended to them and the excellent arrangements made for the meetings.

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**Report of the Secretariat in the 24<sup>th</sup> Commissioner Meeting,  
Jogyakarta, Indonesia, November 22-23, 2007**

Honorable Commissioners distinguished Ladies and Gentlemen,  
Assalamualaikum Warrahmatullahi Wabarakatuh,

May the Almighty God bless all of you. In this good opportunity, although already past more than a month, I would like to greet you for Idul Fitr, may Allah rewards our Ramadan fasting this year and *ibadah* for us, our families, nations, and our beloved countries of almost 900 millions people in toto, amen.

Ladies and Gentlemen,

It is a great pleasure for me to be here to address the latest developments of our cooperation activities since our 23<sup>rd</sup> Meeting in Jakarta, May 29, 2007 until now, insya Allah.

I would like also to whole-heartedly welcome new D-8 Commissioners:

- Excellency Mr. Mohammad Hafeez, Director General for Economic Coordination, Ministry of Foreign Affairs, as Commissioner for Pakistan;
- Excellency Ambassador Ramzy Ezzeldin Ramzy, Foreign Minister's Assistant for Economic Relation and International Cooperation, as Commissioner for Egypt; and,
- Excellency Ambassador Dr. Hadi Soleimanpour, Director General for International Economic Cooperation of the Ministry of Foreign Affairs, as Commissioner for Islamic Republic of Iran.

I am certain that with their track records, dedication and professionalism, D-8 stands to benefit the most.

I take this opportunity to express, on behalf of the Secretariat, my deep condolences to the unfortunate victims of recent cyclone in Bangladesh and pray to Alah almighty to alleviate their sufferings and bring back families together and gives them strength and *hidayah*.

Ladies and gentlemen,

Because of limited allocation of time, and opportunity for me to explain under the relevant agenda items, I will refrain from going into details at this moment, but allow me to underline priorities needed to be expressed and noted at this juncture.

1. My report will consist of a review of the outcome of activities as suggested to be followed up in the recommendations and programs of: (1) the Fifth Summit last May 2006 in Bali, Indonesia; (2) Ministerial Council Meeting in September 2006 in New York, USA; (3) 23<sup>rd</sup> Commissioner Meeting in May28-29, 2007 in Jakarta, Indonesia; and (4) activities of Working Groups and Capacity Building in various capitals (see details in the **Attachment 1**).
2. On the recommendations of the Fifth Summit last May 2006 in Bali, Indonesia, and previous Summit, I would report that the Secretariat has sent letters to remind Commissioners on the ratification of the three Agreements which were signed by our Head of States, namely:
  - Easing Visa Agreement, Turkey responded by sending President of Turkey's letter on the ratification of the agreement, Iran has ratified the agreement but yet to deposit its instrument of ratification. There are no other responses from Commissioners. I would like to urge you to give

us your views and suggestions as to how the Secretariat could be of assistance in this regard. I also suggest that if there is no basic changing of the prevailing state laws, based on the articles of the agreement, so the ratification could be executed by the Head of States without consultation to the Parliaments avoiding long process of the ratification. Other efforts, we may provide flexibility to apply for visa on arrival or multiple visa, especially for D-8 traders and business persons;

- *Custom Agreement*, no response whatsoever from Commissioners. This agreement contains ways for technical cooperation, and I believe there is no controversial or conflicting issues against prevail states' laws. I could suggest that our governments do not need a ratification of the cooperation through the consent of the parliaments. What we could do, we proceed its implementation through several technical meetings among our customs and related officials.
- *Preferential Trade Agreement*, since the ratification of this agreement required the completion of RoO, after having eight HLTO meetings, the final one was scheduled in Istanbul, Turkey, 12-13 November 2007, which was not held due to lack of participants from member states. We propose to Commissioners to confirm the RoO draft resulted from 8<sup>th</sup> HLTO and decide "a cluster approach", meaning if seven countries already agreed on the major articles of the RoO, then the seven could proceed to sign the RoO and ratify the PTA. We hope in the future we will all embrace RoO for the full implementation of PTA.

It is also needed to note, that six of eight of our member states: Bangladesh, Egypt, Iran, Malaysia, Pakistan, and Turkey, attended the 4<sup>th</sup> Trade Negotiations Committee (TNC) of Trade Preferential System among the OIC member states (TPS-OIC) on September 10-12, 2007 in Ankara, Turkey. This Meeting also negotiated TPS-OIC Rule of Origin. Two of our member states, namely: Turkey signed the RoO TPS-OIC on September 12, 2007, and Malaysia signed it during the OIC COMCEC meeting in Istanbul, November 17, 2007;

Based on the achievement of the 8<sup>th</sup> HLTO meeting, I urge the 24<sup>th</sup> Session of the commission to endorse its outcome and agree on a signing ceremony to be arranged for the Rules of Origin thus facilitating the rapid implementation of PTA.

The report also explains my working visits to different capitals for promotion of the image of the organization and cooperation among member states, meeting international dignitaries, and visits to chamber of commerces and trade fairs. This is an initial effort and modality to attract the attention of international organizations and private sectors towards our Organization (see details in the Attachment 2).

3. I will also touch upon certain activities by the Secretariat on its status, and preparing draft on the function, rules, procedure and the structure of the Secretariat (i.e. Draft Statutory Documents for Permanent Secretariat of D-8). According to the decision of the IX session of Council of Foreign Ministers concerning the subject of Strengthening the Secretariat which was endorsed by Para 33 of the 5<sup>th</sup> Summit Declaration, the following set of Statutory Documents were prepared by the Secretariat and has been forwarded to member states for their considerations during 23<sup>rd</sup> Session of the Commission in Jakarta (26-29 May 2007):

A-Secretariat  
B-Staff  
C-Recruitment Policy  
E-Financial/Budgetary

F-Rules of Procedure

G-Head-quarter agreement.

Ever since then, Iran and Indonesia have reflected their views on these draft documents. It is clear enough that without detail consideration and consequent adoption of these Financial and Functional regulations, the present status of the secretariat will stay unchanged. Member states are recommended to fully address these legal documents with relevant official at their capital so as the final adoption could be reached by the 6<sup>th</sup> Summit in 2008, in Malaysia.

4. I would like to also report on the progress of our improved Website: [www.developing8.org](http://www.developing8.org) as public relation efforts for the promotion of our Organization. Since its 1<sup>st</sup> launching on May 8, 2007 up until today, more than 27,000 page loads of 7,500 visitors of more than 50 countries in the world. Among other visitors of our website are governments' officials, companies, chamber of commerces, researchers, media as well as public in large. We would like to thank Malaysia, Indonesia, and Pakistan that already hosted D-8 Website as suggested by the 23<sup>rd</sup> Session of the Commission. We believe this website will increase the public relation effort of D-8.
5. The revised draft of "D-8 Roadmap in the Second-Decade of Cooperation 2007-2017, also will be reported in its status (see **Attachment 3**). We expect this Roadmap will be discussed throughly in this meeting, and if necessary we will continue for its completion before the next Summit in Malaysia.
6. Finally, based on our experiences, efforts, challenges, and opportunities of our organization and cooperation, the Secretariat wishes to propose some ideas and suggestions to be considered by Commissioners for the improvement of our overall activities:
  - 1) To established HLTO Committee, since a lot of program, such as trade *facilitation*, dispute and harmonization of PTGA, RoO and Custom Agreement that will be implemented soon.
  - 2) To established Working Group on Migrant Workers, Remittance and Microfinance, as part of efforts of reducing poverty since many of our member states are supplier of migrant workers, and their remittances now has been recognized need to be leverage into program of reducing poverty (see **Attachment 4**)
  - 3) A permanent Secretariat of D-8 Chamber of Commerce (D-8 CC), cooperate with D-8 Secretariat, to have a well plan, coordination and implementation to link D-8 cooperation programs with private sectors.
  - 4) Strengthen of D-8 Secretariat Based on legal, procedure and function of Secretariat to implement the Roadmap 2007-2017. This is particularly true to have more staffs of the Secretariat, especially to enable Secretariat and member states to manage several projects that will be supported and financed by international organization and international finance organization.
  - 5) Focus on Working Groups in the sectors of trade; industry; finance including islamic finance such as sukuk; investment; tourism; transportation such as civil aviation and shipping business forum; SMEs; migrant workers; remittances and microfinance; poverty reduction; infrastructure; agriculture; science and technology; which are directed to support member states achieve to increase intra-trade and reducing poverty based on the approved actions plan of the Roadmap 2007-2017.

**Report of the**  
**10<sup>th</sup> Session of the Council of Ministers**

**REPORT OF THE Xth. SESSION  
OF THE COUNCIL OF FOREIGN MINISTERS OF THE DEVELOPING EIGHT**

**(New York, 20 September 2006)**

12. The Government of Indonesia hosted the X Session of the D-8 Council of Minister of Foreign Affairs in New York on 20 September 2006. The meeting was attended by five Ministers from D-8 member countries, namely: Iran (Minister of Foreign Affairs), Turki (Minister of Foreign Affairs), Bangladesh (Minister of Foreign Affairs), Indonesia (Minister of Foreign Affairs), Pakistan (Minister of States), Egypt (Vice Minister of Foreign Affairs), and other delegations from all D-8 member countries. The list of Participants is herewith attached.
13. H.E. Dr. N. Hassan Wirajuda, Minister of Foreign Affairs of Indonesia, chaired the meeting. In his welcoming remarks, the Minister stated that the meeting was held to strengthen D-8 cooperation and to reaffirm D-8 shared commitment to working closely among its member countries. It was further emphasized that such meeting would provide D-8 Council of Ministers with the opportunity to discuss ways and means to translate the commitment made during the Bali Summit into concrete action, and to formulate new initiatives for enhancing D-8 cooperation. He also welcomed the step that has been taken to strengthen the capacity of the Secretariat in Istanbul.
14. Following the statement made by the Chair, all D-8 Ministers and other Heads of Delegation made statements and presented their views on how to further enhance D-8 cooperation. Discussion and exchange of views took place among Ministers attending the meeting. There was a common agreement among Ministers on the need to accelerate efforts to follow up the agreed programmes of D-8 cooperation. The Ministers recognized that the expansion of D-8 intra trade should be the main priority of cooperation, since developing countries have been facing inequality in the global trade system. D-8 member countries should also enhance other sectors of cooperation to support its respective national development.
15. Based on the discussion and the exchange of views, the Council of Minister of Foreign Affairs identified a number of possible future cooperation for D-8, as follows:
  - a. Cooperation among D-8 immigration officers in order to accelerate the entry into force of the D-8 Visa Agreement.
  - b. Cooperation in the field of civil aviation and D-8 national carriers.
  - c. Establishing D-8 mechanism and time frame to further facilitate D-8 intra trade, including the finalization of the Rules of Origin to effectively implement the Preferential Trade Agreement and Customs Agreement signed during the Bali Summit in May 2006.
  - d. Exploring ways to involve private sectors more actively in the decision making process in various sectors of D-8 Cooperation and activities.
  - e. Enhancing technical cooperation among member countries through practical capacity building programmes in all sectors of development.

16. The Ministers has mandated the D-8 Commissioners to further discuss the possibility of establishing the above mentioned cooperation during the next meeting of Commissioner that has been scheduled to take place in Indonesia in early November 2006.
17. The meeting agreed that the next meeting of the Council of Foreign Ministers would be held in 2007. Indonesia as the chair country would communicate the proposed schedule and venue of the meeting to all D-8 member countries.
18. The Ministers and head of delegations expressed their appreciation to the Government of Indonesia for the warm hospitality and the excellent arrangement made for the meeting.

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**Technical meetings  
between 5th and 6th  
Summits**

**2006-2008**

D-8 Secreteriat, Istanbul  
November 2008



• 3 <sup>rd</sup> Working Group on Energy	120
• International Seminar On Olive and Saffron Cultivation	125
• Capacity Building Programme on Microfinance	141
• First Meeting on Ecotourism	145
• 7th HLTO meeting	148
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• 1 <sup>st</sup> meeting of Directors General of Civil Aviation	190
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• Expert meeting on Roadmap and Statutory Documents	208
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• 3 <sup>rd</sup> meeting of D-8 Directors General of Civil Aviation	222
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## **3<sup>rd</sup> Working Group meeting on Energy**

**Report of the Third D-8 Working Group Meeting on Energy**  
**Bogor, Indonesia, 6-7 July 2006**

1. The Government of the Republic of Indonesia hosted the Third D-8 Working Group Meeting on Energy in Bogor, Indonesia, on 6-7 July 2006. At the Opening Session, H.E. Ambassador Mochamad S. Hidayat, D-8 Commissioner from Indonesia/ Director General of Multilateral of the Ministry of Foreign Affairs, delivered his Welcoming Remarks. He highlighted that the meeting was a reflection of a shared concern and commitment of D-8 member countries in addressing the looming energy crisis. The D-8 should be able to develop common strategies, such as, the development of alternative energy resources as well as the efficiency of energy sector and sustainability of supply. He also mentioned that Bali Declaration of the Fifth D-8 Summit in Bali, May 2006, had reaffirmed D-8 commitment to enhance D-8 energy cooperation using the potential knowledge and technology to address the energy crisis. The full text of his Welcoming Remark is attached as **Annex I**.
2. The meeting was officially opened by H.E. Dr. Purnomo Yusgiantoro, Minister of Energy and Mineral Resources of the Republic of Indonesia. In his Opening Address, the Minister underlined that the D-8 Working Group on Energy should focus its work on how member countries could take advantage of their different capacities by sharing experience, knowledge, technology and information to support respective sustainable development in the field of energy. He also expected that the Working Group would be able to discuss new ideas and proposals in the field of energy development and energy supply security. Technical cooperation and capacity building programme should be the main target as it would support D-8 national development efforts. D-8 member countries should establish a more solid collaboration in research and development of non-oil energy or alternative energy resources. The text of his Opening Address is attached as **Annex II**.
3. The Meeting was presided over by H.E. Mr. J. Purwono, Director General of Electricity and Energy Utilization, Ministry of Energy and Mineral Resources of the Republic of Indonesia. The delegations from all D-8 member countries attended the Meeting. The list of delegates is attached as **Annex III**.
4. The Agenda of the Meeting was adopted and attached as **Annex IV**.
5. On the first day of the meeting, seven D-8 member countries made their Country Report presentation (Bangladesh, Egypt, Indonesia, Malaysia, Nigeria, Pakistan, and Turkey). The country papers presented by the delegations contained the current energy situation in the respective country, overview of the energy balance, the development of energy efficiency and renewable energy programmes, the R&D energy technologies development programme, overview of format database in energy and possible energy cooperation among member countries. Country Reports of D-8 Member Countries are attached as **Annex V**.

6. The presentations of the country papers were followed by discussion and exchange of views among the delegations. There was an agreement among delegates that D-8 countries huge energy potential should be further explored and developed for the interest of D-8 member countries and their people. It was further recognized and agreed that efforts should be made for capacity building for each member countries in different area of energy through exchange of experts, sharing knowledge and experience as well as information on technology to support development effort of member countries.
7. It was fully recognized that the involvement of private sector and all other stakeholders in the field of energy is required in promoting investment in the respective D-8 member countries.
8. The issue of electrification of rural areas in D-8 countries was brought up by several delegates as an important development programme. It was suggested that D-8 member countries work together to achieve their goals in enhancing electricity supplies to remote areas.
9. At the end of the first day meeting, the Indonesian delegation made a presentation on the activities of Research and Development on Energy in Indonesia. It was highlighted that the country's capacity on research and development could be shared with the other D-8 member countries as a combined strength to further develop the respective national capacity on energy. The text of this presentation is attached as Annex VI.
10. On the second day of the meeting, the delegation of Indonesia made presentations on "Training Activities on Energy in Indonesia" and on "Facing Liberalization on Energy Services". Discussions took place after the presentation, particularly on how to develop cooperation in the field of training and education, by taking the advantage of existing facilities in D-8 countries. Views were also expressed on the necessity of D-8 countries to work together in the WTO forum in facing the liberalization of energy services. The full text of these presentations is attached as Annex VII.
11. After the presentation by Indonesian delegation, the Iranian delegation presented his country report and the proposals on setting up "Format for Energy Database Development as well as the Report of the Second Meeting of D-8 Working Group on Energy held in Tehran in January 2005. The full text of these presentations is attached as Annex VIII. The Presentations were followed by discussion and exchange of views among the delegations.
12. Based on the discussions and exchange of views, delegates agreed on the following recommendations and follow-up actions:

- a. Member countries should enhance cooperation in the field of energy, including sharing of information, experience and best practices on policies and programmes in energy efficiency, energy conservation, energy security, strategic oil stocks, peaceful uses of nuclear energy, alternative/renewable energy technologies, rural electrification, local manufacturing, interconnection experience, reforming, private sector participation, etc.
- b. Coercive measures should be taken by D-8 member countries as a common effort to decrease the dependency on oil.
- c. D-8 member countries should establish a closer cooperation on joint research, exploration and production of alternative energy resources.
- d. D-8 member countries reaffirm their agreement on the need to establish a uniform format for database of energy experts and institutions as agreed upon during the Second Meeting of D-8 Working Group on Energy held in Tehran, January, 2005; and during the Fifth Heads of State Summit meeting held in Bali, May, 2006. The establishment of such uniform format for database should take advantage of the existing D-8 website; and should be coordinated by the D-8 Secretariat in Istanbul.**
- e. Every D-8 country should provide comprehensive information on their respective capacity on training and research facilities to be submitted to the D-8 Secretariat.**
- f. D-8 member countries should enhance capacity building programmes, including technical assistance, exchange of expertise and technology transfer among member countries. In this regard, overlapping cooperation programmes/projects should be avoided.
- g. D-8 countries should work together to find the best and viable financing mechanism to support the respective national energy development, including the possibility of third party funding.**
- h. Participation of the private sector and all other relevant stakeholders should be considered in the next D-8 meetings, in order to promote investment for energy sector.

- i. Policies on new and renewable energy as well as on energy efficiency and conservation should be further developed in all D-8 member countries.
  - j. D-8 member countries should take into account the proposal of an inclusive exchange of information between member countries on energy and environmental policies, databank, projects, institutions and organizations. In this regard, the member countries may also give further suggestions and comments directly to the D-8 Secretariat for follow-up.**
13. The meeting adopted the report of the Third Working Group on Energy and its recommendations and follow-up actions. The report will be submitted to the next meetings of D-8 Commissioners and D-8 Council of Ministers for consideration, adoption and further implementation by D-8 member countries.
14. In the closing session, the Chairman expressed his highest appreciation to all delegates for their active participation, cooperation and contribution during the meeting that has significantly enriched the deliberations on issues of common interest to enhance D-8 cooperation on energy matters. Delegates expressed their gratitude and appreciation to the chairman and Indonesia for hosting the Third Meeting of Working Group on Energy.

# **International Seminar on Olive and Saffron Cultivation**

**Report of International Seminar On Olive and Saffron Cultivation- D-8 Countries  
NWFP Peshawar-Pakistan, 12-13 June, 2006**

The Government of the Republic of Pakistan hosted Two days International Seminar on Olive and Saffron Cultivation of D-8 Countries was held at Pearl Continental Hotel Peshawar-Pakistan on *12-13 June, 2006*. At the opening session, **Mr. Abdur Rauf Khan**, Managing Director, PODB, delivered his welcoming remarks.

I am confident that the deliberations in this seminar would be productive and provide an impetus to invigorating cooperation among D-8 member countries particularly in the field of Agriculture. Regional cooperation is a function of growing interdependence in a fast globalizing world. That is why agriculture is one of the ten major sectors identified for cooperation among the member countries.

The meeting was officially opened by **Mr. Abdur Rauf**, Managing Director, PODB, Ministry of Food, Agriculture and Livestock, Islamabad-Pakistan. In his opening address The Managing Director, focus that we are all pre-dominantly agriculture countries. The contribution of agriculture to GDP in Pakistan is 22%; in Iran it is 11.2% ; in Bangladesh it is 21.2% ; in Indonesia it is 14.6%; in Turkey it is 11.7%; and in Egypt it is 17.2% ;. That is why this sector is so important to all of us and there is so much that we can learn from each other. The countries represented here have the unique distinction of belonging to the oldest civilizations in the world. The full text of his welcoming remark is attached as **Annexure-I.**

The delegations from all D-8 member countries attend the seminar. The list of delegates is attached as **Annexure-II.**

The Agenda of the meeting was adopted and attached as **Annexure-III.**

On the first day of the meeting, after the welcoming addressing of the Managing the participants left for the field visit Olive Valley at Sangbhatti, Mardan. They visited the valley thoroughly and studied the phenomenon of olive orchards established of 15000 plants in which of them into bearing. After the visit of the experts from different countries provided suggestions for the improvement of this valley, which will be later on converted into a big Olive Research Station.

On the second day of the meeting, the scientists from D-8 countries presented their country briefing on olive and saffron cultivation. (Bangladesh, Egypt, Indonesia, Iran, Nigeria, Pakistan, Turkey). The full text of these presentations is attached as **Annexure-IV.**

At the end of International Seminar on Olive and Saffron Cultivation in D-8 countries held at Peshawar, Pakistan on *12<sup>th</sup> – 13<sup>th</sup> June 2006*, the delegates from the member countries agreed on the following recommendations is attached as **Annexure-V.**



**Welcoming Remarks and Opening Address**

**By**

**Mr. Abdur Rauf Khan,**

**Managing Director**

**Ministry of Food, Agriculture and Livestock (MINFAL)**

**Government of Pakistan, Islamabad**

**NWFP Peshawar-Pakistan, 12-13, 2006**

*His Excellency*

Dr. Said Khan Khalil, Vice Chancellor, NWFP Agricultural University Peshawar, and Dr. Muhammad Saleem, Member Plant Science, Pakistan Agricultural Research Center and other distinguished delegates,

Ladies and Gentlemen,

2. It is indeed a matter of great honour and special privilege for me to welcome the delegates from our brotherly countries and all the participants to the International Seminar on Olive and Saffron cultivation of D-8 countries. Dear delegates your presence here is a source of great pleasure for us.

In the sessions of the next two days you will share your knowledge and expertise in the two important fields of olive and saffron cultivation and to see the prospects of further intensifying regional cooperation among D-8 member countries in these areas.

3. I am confident that the deliberations in this seminar would be productive and provide an impetus to invigorating cooperation among D-8 member countries particularly in the field of Agriculture. Regional cooperation is a function of growing interdependence in a fast globalizing world. That is why agriculture is one of the ten major sectors identified for cooperation among the member countries.

4. The XVIII session of D-8 commission met last year welcomed Pakistan's proposal to establish D-8 Resource Person database of officials, experts, trade bodies and companies for use by all member countries and its proposal together and share data on agricultural research institutes. This seminar will go a long way to give the proposal a real shape.

5. We are all pre-dominantly agriculture countries. The contribution of agriculture to GDP in Pakistan is 22%; in Iran it is 11.2% ; in Bangla Desh it is 21.2% ; in Indonesia it is 14.6%; in Turkey it is 11.7%; and in Egypt it is 17.2% ;. That is why this sector is so important to all of us and there is so much that we can learn from each other. The countries represented here have the unique distinction of belonging to the oldest civilizations in the world. But also the same countries when civilization arose have the dubious distinction today of being termed as developing. Indus and Nile is the cradle of agriculture. But for agriculture knowledge and practices our eyes turned westward. We are being tutored about something which we gave to the world in the first place. Let's join hand and put our heads together to reclaim our past glory.

6. Although our different research departments have been working on olive, but its development and promotion got momentum in year 2000-01 when two projects were launched by PO DB. So far government has allocated about 250 million rupees on development projects of olive. PO DB has been successfully able to graft more than 3 million wild olive trees with European type olive. Olive mother orchards have been established on 443 acres. Besides large number of growers, personals of different departments, Pak Army, and NGOs have been trained in different techniques of grafting and olive nursery planting.

7. We are thankful to the government of Turkey for extending training to our 12 technical officers in olive cultivation at its highly prestigious Olive Planting Research Institute, Izmir.

8. In recent Pak-Italy Joint Economic Commission held in Rome on 23-24 March 2006, Government of Italy has agreed for cooperation in the field of olive cultivation. Italy will extend technical assistance for our olive cultivation programmes.

9. Among D-8 members we will request Governments of Turkey, Iran and Egypt to help us in expanding our olive promotional programmes. We also invite the investors of D-8 members to explore opportunities for investment in field of olive oil extraction. Government of Pakistan will extend every possible support to the investors.

10. Regarding saffron cultivation, although we have not yet made a breakthrough in development of this crop, but potential exist in our country. The crop produce bring high price in the market. Sharing experience by the technical experts will greatly help to exploit its potential.

11. In the end, I would again like to extend warm well come and wish the Seminar every success.

Thank you.

**Abdur Rauf Khan**

Managing Director

**List of delegates Report of International Seminar On Olive and Saffron Cultivation- D-8  
Countries  
NWFP Peshawar, 12-13, 2006**

<b>The People's Republic of Bangladesh</b>
Md.Abdul Hamid Mollah, Deputy Director Department of Agriculture Extension
<b><i>The Arab Republic of Egypt</i></b>
Mr.Abd El-Aziz Mahmoud Abou El-Khashab, Senior Researcher, Horticulture Research Institute Egypt-Cairo and University of Ciaro st. Orman Giza
<b><i>The Republic of Indonesia</i></b>
Miss. Inastasia Promosiana, Head of Sub Directorate Ol-Raya Ragunan ND U Pasarminggu
Mr. Albert Abdi, Second Secretary Indonesian Embassy Islamabad
<b>The Islamic Republic of Iran</b>
Mr. Ali Asghar Zeinanloo, Horticulture Department Mahdasht Ave. Karaj IRAN
Mr. Heshmat Attarzadeh, Iran Consulate General in Peshawar
<b><i>The Federal Republic of Nigeria</i></b>
Mr. Muhammad Yousuf, Chief Scientific Officer Federal Ministry of Science and Technology P.M.B-331 Abuja, Nigeria
Mr. Egnedike Okwndidi Fred, Deputy High Commissioner Deputy High Commissioner Nigeria Islamabad
<b><i>The Islamic Republic of Pakistan</i></b>
Mr. Ghulam Idris, Provincial Director, PO DB, Agriculture Research Institute, Tarnab, Peshawar
Dr. Zahoor Ahmad, Chief Scientific Officer, National Agricultural Research Centre, Islamabad
M. Hashim Laghari, Senior Director (CS), Pakistan Agriculture Research Council P.O. Box 1031 Islamabad
Dr. Abid Mahmood, Director, Barani Agricultural Research Institute, Chakwal
<b><i>The Republic of Turkey</i></b>
Dr. Nurhan Varol, Olive Research Institute University cad No:43 35100 Bornova Izmir/Turkey

**Report of International Seminar On Olive and Saffron Cultivation- D-8 Countries**

**NWFP Peshawar-Pakistan, 12-13, 2006**

**Agenda**

- 1- Welcoming Remarks by D-8 Countries for the Islamic Republic of Pakistan  
Opening Address by Mr. Abdur Rauf Khan, Managing Director, PO DB of the Islamic Republic of Pakistan.
- 2- Adoption of the Agenda
- 3- Country Paper Presentation by each D-8 Member Countries (Bangladesh, Egypt, Indonesia, Iran, Nigeria, Pakistan, Turkey).
- 4- Presentation on “ Agronomic Programs and Present Situation of Olive Growing in Egypt”.
- 5- Presentation on “Olive and Saffron Research and Cultivation of Iran“.
- 6- Presentation on “ Olive cultivation of Nigeria”.
- 7- Presentation on “ Olive and Saffron cultivation of Pakistan”
- 8- Presentation on “Olive growing” of Turkey.
- 9- Recommendations

## EGYPT

**Introduction**

Olive trees (*Olea europaea L.*) grow successfully under the prevailing conditions, where soil is poor and available water is limited. In addition, olive offers a great economic potential compared with other fruits grown under the same conditions (El-Sharkawy, 1999). Aggeziolive cv. is the most important table cultivar in Egypt and Koroneiki olive oil cv. imported from Greece. Both cultivars are cultivated in a large scale in new reclaimed areas.

Olive is cultivated in Egypt since ancient centuries. It is found in pharaoh tombs and temples as pictures and fruits. Nowadays, olive trees play an important role in new orchard establishment, especially in new reclaimed area due to its ability to grow under the stress conditions. Recently it is occupied about *11% from the total fruit area in Egypt* Cultivated area represents about 4% of the total area. While, the greatest part of Egypt is desert land. Olive is widely distributed and grown successfully under the prevailing conditions of North west coast region, Alexandria, North Sinai and Oases.

**Local Varieties:**

1- Toffahi	2- Aggizi Shame	3- Aggizi Akse
4- Aggizi Oshime	5- Balady	6- Hamed
7- Wateken	8- Maraki	9- Meloky
10- Warden	11- Sebhawy	

**Foreign Varieties:**

1- Manzanillo	2- Kalamata	3- Dolce
4- Picual	5- Khouderi	6- Coratina
7- Frantoio	8- Arbequin	9- Coronaiki
10- Chemlali		

## TURKEY

Climate requirements in olive trees:

### *CLIMATE*

- ❖ Temperature(min – 7<sup>0</sup>Cmax 40<sup>0</sup>C)
- ❖ Rain (700-800 mm per year)
- ❖ Direction (South)
- ❖ Altitude ( max 800 m)

### *SOIL*

- ❖ Loam, clay-loam, soft calcereous and rich with the nutrients.
- ❖ pH' (6-8)
- ❖ It has no salinity problems.
- ❖ The deep of soil is 1-2 meter.
- ❖ If the ground water is closer than 1 meter
- ❖ Olive groves should be planted after dranaige.

Olive Production

Genetical Production:

- Seed production(Ak delice,Leccio, Frantaio, Uslu)
- Stone fruits are separated from the flesh
- Treatment of NaOH or waiting in water
- Sowing of the seeds (October)
- Planting of seedlings (April)
- Grafting (April-May)

## IRAN

### Introduction

- ❑ In Iran olive farming related to many centuries ago. In different region have been found feral populations of olive and separated across the Zagros Mountain in west, center and south east.
- ❑ Iran has about 69 million people and main source of oil is oil seeds. More than 90% of oil imported from the other country, for this reason producing some part of oil is possible by olive growing.
- ❑ National plan for improving olive growing and industry (600,000 ha) is compiled in 1993. At the beginning of this program, olive orchards areas was about 5000ha and most of them was traditional. The average acreage of orchards is 3 ha and a few orchards are as far as 300 ha, also a new olive orchard is 2000 ha. Average yield per hectare is 3000 kg. In some of irrigated orchards production has risen 10- 12ton/ha.

### Olive production and area harvest (FAO 2004)

❖ Area harvest in world	= 8,611,567 Ha
❖ Area harvest in Iran	= 13,000 Ha
❖ Total olive growing area of Iran	= 95000 Ha
❖ Production of world	= 15,990,353 ton
❖ Production of Iran	= 4,0000 ton
❖ Yield per hectare in world	= 1,800 kg.
❖ Yield per hectare In Iran	= 3000 kg.

## NIGERIA

### Introduction

The contribution of agriculture, particularly the oilseeds sector to the nation's economy in the form of food supply to the population, raw materials to the manufacturing industries and export produce to earn foreign exchange is of major significance. Before now, agriculture was the main stay of the Nigerian economy though with oil palm and its products occupying the pride of place locally and internationally. The industry has witnessed a sluggish and dismally poor growth with little or no development; thus it remained partially explored and under exploited. Nigeria had been known to be a renowned consumer and to a large extent exporter of oilseeds and their products.

### Olive in Nigeria

The Olive (*Olea europaea*) is a species of small tree which belongs to the family Oleaceae. Though it is a native of the coastal areas of the eastern Mediterranean region, which spans from Syria, to the maritime parts of Asia and northern Iran at the south end of the Caspian Sea, it could also be found in Nigeria though in a wild state. Its use as a major agricultural product led to its wider distribution throughout the western Mediterranean and even beyond.

The Olive has been used since the Stone Age and even in Nigeria for the making of olive oil and for eating of the fruit, which, being bitter in its natural state, are typically subjected to fermentation to be made more palatable. It was not known exactly when and how the plant was first cultivated for harvest, available evidences in the country show that the domestication of the crop came from south of Niger republic through the wondering Arabs.



## PAKISTAN

Mr. Ghulam Idris

### Introduction

- Pakistan is located at 30 00 N, 70 00 E in the S. Asia.
- Surrounded by Arabian Sea, India, Iran, Afghanistan and China.
- Sixth most populous country in the world (162 million).
- Climate: Tropical, Sub-Tropical, Hot, Dry desert; & Temperate.
- Elevation extremes: Indian Ocean 0 m and the highest is K2. Total area: 803,940 sq. km in which 27.81%

### Edible oil situation in Pakistan

Although Pakistan has reached near to self-sufficiency in production of crops like wheat, rice, sugarcane, it is facing chronic deficit in production of edible oils. It meets the 70 percent of its total edible requirement through imports, while local production accounts for 30 percent only. The edible oil imports mainly consists of palm oil and soybean oil. Palm oil share is about 90 percent of total edible oil imports its principal source is Malaysia. Main sources of local edible oil production are sunflower, canola and cottonseed. Government of Pakistan is making every effort to enhance local oilseed production through different initiatives taken up by Pakistan Oilseed Development Board (PODB). These initiatives include enhancement of sunflower & canola, introduction of oil-palm and olive cultivation.

### Olive cultivation in Pakistan

In Pakistan the areas in NWFP, Potohar and Balochistan are well suited for olive cultivation. Naturally growing wild olive trees are available in abundance in *Malakand, Kohat, Mardan, Cherat and Hazara* (NWFP), *Rawalpindi/ Islamabad, Chakwal, Attock (Punjab)* and *Zhob, Barkhan* (Balochistan). According to an estimate about *45 million wild olive trees* are available in NWFP, Punjab and Balochistan.

**PAKISTAN**  
**Dr. Abid Mehmood**

**Soil and Climatic Conditions Required**

- Hot dry summer
- Can grow under 200-900mm annual rainfall
- Chilling requirement 150-300 hours (<9°C)
- Flowering Temperature 35°C (Feb-March)
- Genotypic differences exist for temperature requirement
- Italian most cold tolerant (- 8°C)
- Tunisian & Moroccan tolerant to high temperature (36-41°C)
- Best soil light well drained

**Rainfall in Barani Areas**

- ❖ More than 1000mm: Murree Tehsil
- ❖ 500 to 1000mm: Rawalpindi, Jhelum, Gujrat, Sialkot, Narowal
- ❖ 300-500mm: Attock, Chakwal, Khushab
- ❖ 150-300mm: Mianwali, Jhang, Bhakkar, Layyah, M'Garh, DGKhan,

**OLIVE PROPAGATION**

Propagation of olive through:

- ❖ Seeds
- ❖ Cuttings
- ❖ Layering
- ❖ Using wild olive as root stock and cultivated as scion.
- ❖ Grafting of wild olive at Choa Saidan Shah.

**PAKISTAN**  
**M. Hashim Laghari**

**Back Ground**

- ❖ The first attempt was made by Handerson. Who imported 100 plants of European Olive in 1886 and planted at Rawalpindi.
- ❖ During 1907-1912, the program was restored with the help of an Italian expert who established small plantations at Soan valley, Ghari Dopta.
- ❖ Chattar, Kharimurat in Attock District.
- ❖ All plantations were handed over to Agriculture Department in 1927. Where it was looked after up to 1935, thereafter it was handed over to Forest Department.
- ❖ In 1937 top working of wild olive was started but failed.
- ❖ In 1937 plants imported from Palestine, USA and Italy.
- ❖ In 1950-1952 olive plants were again imported from Syria, Egypt and Turkey, which were planted in Rawalpindi.
- ❖ In 1958 Dr. A. Rahim Chudhry, revived the effort once again, 1000 plants of selected varieties were imported from Italy and distributed to farmers.  
In 1960, 5000 plants were procured from Italy and were planted at different locations of Pakistan.

## IRAN

### Saffron( *Corcus sativus* L.) Improving in Iran

- ❖ Saffron is a perennial plants belonging to *Iridaceae* Family ,autotriploid plant ,  $2n=24$ , triploidy causes unbalanced with 99% frequency , which is main cause of sterility. There are rarely morphology variation in stigma segments (3-10 branches) that is the main yield of saffron.
- ❖ So , The breeding method cant be useful in saffron.
- ❖ The Methods of *in vitro* culture for somaclonal variation have fairly been successful.
- ❖ 9 species of saffron was identified in Iran:
- ❖ *Corcus almehensis*, *C.biflorus*, *C.michelsonii*, *C.caspius*, *C.speciosus*, *C.hassknechtii*, *C.cancellatus*, *C.guilanicus*, *C.sativus*

### Saffron Flower

The flower consists of three sepals and three petals of the same lilac color which makes them hardly distinguishable. There are three stamens, and filaments are twice as long as the anthers. Out of the single-ovule ovary in the center of the flower grows a long thin style of a light yellow color, which ends in a triple stigma of 2-3 cm length, and bright orange red color. It is the dried stigmas (and style) that saffron the spice consists of.

### Botany

Saffron, *Crocus sativas* Linnaeus, is a stemless perennial grass plant with a round sub-soil corm of 3-5cm diameter.

Each corm produces 6 to 8 leaves similar to grass weeds. The short sprinkle roots grow at the base and circumference of the corm.

### Cultivation

Flower yield is highly dependent on corm density and corm size. Traditionally, saffron is grown on raised beds to allow good drainage and easy access for picking. Corms are planted out during their dormant period in summer.

**PAKISTAN**  
**Dr. Zahoor Ahmad**

### **History**

- ❖ *Crocus sativus* domesticated from wild species *C. cartwrightianus* that established itself as the source for saffron spice beginning in late bronze age.
- ❖ Saffron has been found in the prehistoric paints used to depict beasts in cave art in Iraq.
- ❖ Its threads were woven into ancient Persian royal carpets and funeral shrouds.
- ❖ Ancient Greek brazen sailors embarked to the land of
- ❖ Cilicia for procuring world's most valuable saffron.

### **Saffron**

The word *saffron* originated in the 12<sup>th</sup> century from the Old French *safran*, which derives from the Latin term *safranum*. *Safranum* is also the root of the Italian *zafferano* and Spanish *azafrán*. These terms come from the Arabic word *asfar* (أصفر), which means "yellow", via the synonyms *za'faran* (زَعْفَرَان), the name of the spice in Arabic.

### **Distribution**

- ❖ A wild species *Crocus korolkomii* is reported from Chitral, Pakistan.
- ❖ *Crocus sativus* - native to South Asia and cultivated in Kashmir and Iran since ages.
- ❖ Introduced in China by Mongols.
- ❖ Spread in Russia, Turkey, Spain, Italy and Netherlands.

### **Botanical Description**

- ❖ Family *Iridaceae*, ( $X=8$ ) triploid perennial herb – 15 to 25 cm tall.
- ❖ Leaves linear, almost triangular.
- ❖ Leaves emerge from the bulb few days earlier to flower.
- ❖ Flowers are violet with dark yellow stigma.
- ❖ Six petals joint together at the base in a tube having three stamens.

### **“RECOMMENDATIONS”**

At the end of International Seminar on Olive and Saffron Cultivation in D-8 countries held at Peshawar, Pakistan on *12<sup>th</sup> – 13<sup>th</sup> June 2006*, the delegates from the member countries agreed on the following recommendations:

#### **RESEARCH**

1. That there is a need for exchange of genetic resources with regard to different cultivars for trial purposes in potential areas of D-8 Olive and Saffron growing countries.
2. That member countries may see the need to attach high priority to olive and saffron cultivation in potential areas. Necessary resources required for Research & Development (R&D) activities may be provided.
3. That there is need for exchange of scientific and technical information and expertise for production, processing and marketing of olive and saffron.
4. That it is necessary for member countries to exchange data and literature on the identification of insects/pests and diseases and their integrated pest management.

#### **HUMAN RESOURCE DEVELOPMENT**

With regard to capacity building of Human Resources on Olive and Saffron cultivation the participants agreed as follows:

1. That main producer of olive and saffron D-8 members may arrange programs for exchanging visits and trainings of the staff working on olive development, processing and marketing for the benefit of interested members.
2. That D-8 Secretariat may be strengthened and made responsible for stronger collaboration and interaction among member countries. The need for regular meetings for cooperation in the field of agriculture was also emphasized.
3. That D-8 Secretariat may compile technical information on olive and saffron for distribution to member countries.

#### **OLIVE OIL EXTRACTION UNIT**

1. Participants in the Seminar also agreed that in-order to ensure on the spot oil extraction, acquisition and installation, small processing units are needed in the potential pockets among interested member countries. The main producers may provide the proto-types of such processing machines to interested member countries.

D-8 Countries/Final Report for International Seminar (01-08-2006)

Zak

# **Capacity Building Programme on Microfinance**

## **REPORT OF THE CAPACITY BUILDING PROGRAMME FOR DEVELOPING EIGHT COUNTRIES ON MICRO FINANCE**

Jakarta, Indonesia, 6-12 November 2006

31. The Government of the Republic of Indonesia convened the Capacity Building Programme for Developing Eight (D-8) Countries on Micro Finance in Jakarta on 6-12 November 2006. The programme was attended by participants from Bangladesh, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey. The list of participants is attached as Annex I.
32. At the opening Session, Mr. Sulaiman Arif Arianto, the Director of Micro, Small and Medium Business of Bank Rakyat Indonesia delivered his remarks. He highlighted that micro enterprises financing and microfinance in Indonesia are provided by many institutions such commercial bank, micro banking, pawnshop, venture capital as well as by informal providers. He briefly explained the background of Bank Rakyat Indonesia Unit System which is one of the successful undertakings in reaching the low income clients in terms of outreach, sustainability and impact. Bank Rakyat Indonesia welcomed the initiative to forge cooperation in micro banking in the framework of D-8, and offered its cooperation as the institutional partner providing technical assistance, consultancy, advisory, and connecting the interested institution with international financial institution such as IFC and so forth. The text of his remarks is attached as Annex II
33. The programme was officially opened by Mr. Budi Bowoleksono, Acting Director General for Multilateral Affairs, Ministry of Foreign Affairs of the Republic of Indonesia. In his opening remarks, he recognized that the capacity building programme on Microfinance is in line with the main objectives of D-8 cooperation to eradicate poverty and to improve the standard of living of the people. It was the first programme to implement the new initiative proposed during the fifth D-8 Summit to enhance the capacity of D-8 and provide technical assistance among D-8 member countries. He further mentioned that some D-8 countries have success story on micro finance and participants were expected to identify cooperation opportunities and formulate a framework of viable cooperation, particularly in establishing the D-8 strategic alliance on Micro Banking. The text of his opening remarks is attached as Annex III
34. The programme was conducted in training workshop format in which participants actively involved in four days class discussion and a one day field visit to Bank Rakyat Indonesia Unit Micro-Banking System in Cilegon. The daily programme and discussions were facilitated and coordinated by the professional team of Microfinance expert and specialist from Bank Rakyat Indonesia. This team has proven to be successful in helping micro entrepreneurs to establish small and medium-scale business development in rural areas in Indonesia.
35. The Programme covered a wide range of subjects including presentation of country reports, global perspective on microfinance and inclusive financial system, promotional aspects and building networking in microfinance institutions, building institutional capacity and human resources development, microfinance perspective, saving perspective, management of information system, risk management, and internal control in Microfinance.
36. Participants from each country presented their country report relating to the current development and achievement of micro finance as well as the challenges to develop sustainable micro finance system in the respective D-8 countries. The presentations were followed by a discussion and exchange of views among participants. It is widely accepted that micro finance scheme is important for eradicating poverty and improving standard of living as well as for social and



economic development. Government's support on this matter was crucial particularly in establishing conducive environment and a sound regulation on micro finance institution. Country reports of D-8 countries are attached as Annex IV

37. It was agreed that in order to reach the objectives of helping the poor, there should be a method to build inclusive financial sectors, namely, sound and competitive institutions, financial and institutional sustainability, and multiple providers of financial services. As microfinance is becoming an industry, promotion and networking in microfinance institutions play important roles in making them sustainable. Global, regional and national microfinancing networks, such as Grameen Bank Bangladesh, Bank Rakyat Indonesia, Consultative Group to Assist the Poor (CGAP/World Bank), and Microcredit Summit Campaign, have been developing this industry as it helps support the poor to achieve a better living condition.
38. Participants shared the view that building institutional capacity and human resources establishing international cooperation and strategic alliance would enhance the Microfinance institution's network capacity. Institutional capacity building should be carried out in the aspects of the visions and missions of institutional itself, organizational structure, system and procedures, quality of human resources, use of IT and IT advancement.
39. Discussion took place on different micro credit perspectives, particularly on the importance of collateral in micro credit. It was elaborated that collateral or guarantee is necessary so that the borrower shall be bound to seriously use the money for business.
40. Participants had exchange of views on the management of information system, particularly the importance of management information system (MIS) in building competitive, profitable and sustainable microfinance institution. It was recognized that due to the high operation cost, some banking and non-banking financial institutions in D-8 countries have not used the on-line system in rural areas.
41. Participants were also briefed on the best practices of internal control of BRI. Participants discussed that internal control is a crucial aspect for the sustainability of microfinance institutions. It was recognized that networking can serve a reliable source to find a model of internal control, particularly for small scale microfinance institution.
42. At the end of the programme, a field trip to Cilegon was conducted on 10 November 2006. During the field trip, participants were brought to the BRI Unit in Cilegon and two successful borrowers of the BRI micro-credit scheme. The objective of this visit was to observe the daily operation of the BRI Unit and to what extent the BRI Micro Loan has improved the clients' business and their standards of livings.
43. Having extensive discussion and exchange of views among participants, it was agreed to make the following recommendations on establishing Strategic Alliance on Microfinance in the framework of D-8 cooperation:
  - a. Government's support is necessary to create conducive environment and sound regulation for the development of micro finance institutions.
  - b. It is necessary to create a website on microfinance in D-8 countries as an initial step in establishing strategic alliance on microfinance within the framework of D-8 cooperation. This website would help to build a network to increase awareness, and disseminate as well as share

information on challenging issues of microfinance and major initiatives being undertaken. In this regard, Indonesia through BRI would act as the Coordinator for establishing such network.

- c. Some D-8 member countries, due to resources constraints, failed to achieve the desired level of outreach in microfinance sector. D-8 forum may approach the donor countries/agencies to provide funds for the purpose in the shape of grant/soft loan so that more credits could be disbursed through microfinance institutions in order to achieve the desired level of outreach at the earliest possible period of time.
  - d. D-8 countries may identify members of microfinancing or microfinance operating institutions through licensing them, by which estimated gap between demand and supply of every component like funds, technology, instruments, can be easily measured. The list of institutions may be submitted to the D-8 Secretariat.
  - e. Technical cooperation and capacity building programme among D-8 countries need to be continued as it can be used as a venue to exchange views and experiences, practicable knowledge and best practices, as well as extended networking in developing microfinance. This programme may include the enhancement of technical know-how, improvement of innovation via technology, and development of Syariah microfinance principles.
44. The programme was closed on 12 November 2006 and concluded by awarding Certificate by Ambassador Mochamad S. Hidayat, the D-8 Commissioner of Indonesia/D-8 Acting Secretary General and attended by all D-8 Commissioners who were in Jakarta for the 22<sup>nd</sup> Session of the D-8 Commissioners. In his closing remarks, Ambassador Hidayat expressed his highest appreciation to all participants for their active participation and congratulated them for completing the programme. He also thanked the professional team of Bank Rakyat Indonesia for coordinating the daily programme. He hoped that the recommendation and the strategic alliance in Micro-Banking resulted from this programme would be followed up and implemented for the benefit of D-8 people. The text of his closing remarks is attached as Annex V
45. Participants expressed their gratitude and appreciation to the Government of the Republic of Indonesia for organizing the Capacity building programme for D-8 countries on Microfinance.
46. The report of the programme would be submitted to the next meeting of D-8 Commission and D-8 Council of Ministers for consideration, adoption and further implementation by D-8 member countries.

## **First meeting on Ecotourism**

**First D-8 Expert Meeting on Ecotourism Cooperation  
Among Member Countries (13-14 November 2006)**

The First D-8 Expert Meeting on Ecotourism was held in Tehran (Laleh International Hotel) on 13th of November 2006. The meeting was chaired by H. E. Hadi Soleimanpour Director General for Department for Multilateral Economic Cooperation of Ministry of Foreign Affairs and scientist member of High Council for Environment of Iran as well as member of Iran's Ecotourism National Committee.

**List of D-8 Country Representatives:**

- . Iran - Mr. A. Koosha, Head of Iran's Ecotourism National Committee
- . Pakistan - Dr. Muhammad Saeed Jadoon, Commercial Counselor, Pakistan Embassy, Tehran, I.R. Iran
- . Egypt - Gamal A. Rehim Mohamed Metwally, Counselor of the Interests Section of Egypt, Tehran, I.R. Iran
- . Indonesia - Iskandar Suksmadi, First Secretary, Embassy of the Republic of Indonesia, Tehran, I.R. Iran
- . Turkey - Ugur Caliskan, Culture and Tourism Expert, Ministry of Culture and Tourism, Republic of Turkey .
- Nigeria - F.O. Adeshida, Minister, CDA, Embassy of Nigeria, Tehran . Nigeria - S. Dahiru Muhammad, Second Secretary, Embassy of Nigeria, Tehran, I.R. Iran

*Agenda of the Meeting is attached*

**Main Topic of Discussion for Panel:**

Draft Convention on Nature-based Tourism.

**Other Topics:**

- 1- Designation of outstanding national sites for ecotourism's cooperation in between member countries
- 2- Facilitating the relationship between tour operators 3. Facilitate technical visits of the member countries experts to ecotourism destinations.
- 4- Establishment of working relationship among ecotourism national authorities of member countries
- 5- Support private investment

## Conclusion of the Meeting:

The Meeting of the D-8 Experts considers the text of the Covenant positively and expresses the need of having such instrument to govern ecotourism activities among Member States. They will send the Draft Document to Relevant Authorities in member countries and come up with their comments in the next meeting,

The Expert Meeting also approved the following:

1. To enhance ecotourism cooperation among relevant authorities within D-8, the Expert Meeting suggests that each member state designates an outstanding Ecotourism Site to be considered as Pilot Site. The Member States will inform within three months the name and characteristics of the pilot site to the Secretariat of D-8.
  2. The Expert Meeting suggests that the cooperation among ecotourism Tour Operators is a vital part of ecotourism development and activity within D-8 countries, therefore the Expert group suggests each member state nominates a couple of ecotourism tour operators within next three months. It also proposes that D-8 Secretariat facilitates the First Ecotourism Tour Operators meeting. Iran's Ecotourism National Committee offers to host the above-mentioned meeting.
  3. The Expert Meeting suggests that Member States provide and support necessary facilities for Technical Visits including academic visits, expert visits, short-training courses and other kind of capacity building among ecotourism experts of member countries.
  4. The Expert Meeting calls Member States to facilitate interaction among **National Authorities** for Ecotourism.
  5. The Expert Meeting proposes that the issue of promoting local and foreign ecotourism investment among Member States should be raised in the next meeting.
  6. The participants of the Experts Meeting express their appreciation to the Government of I.R. Iran and to the National Ecotourism Committee for the hospitality expended to them and excellent management made for the meeting.
- The Expert Meeting suggests that the next meeting be held within the next 4-6 months.

**Seventh meeting of High Level Trade Officials  
(HLTO)**

Report of the  
Seventh Meeting of High Level Trade Officials of D-8 Countries  
December, 18-19,2006  
Islamabad, Pakistan

1. The Government of the Islamic Republic of Pakistan hosted the 7th Meeting of High Level Trade Officials (HLTO) of the D-8 Countries in Islamabad, on December, 18-19, 2006. The delegations from all Member States except Bangladesh and Nigeria attended the meeting. The list of participants is attached as Annex I.
2. Mr. Tariq Osman Hyder, Additional Foreign Secretary of Pakistan, in his welcome address, 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 Rules of Origin for The Preferential Trade Agreement is the most significant step for the fulfillment of that objective. The text of his welcoming 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 finalization of the Rules of Origin for Preferential Trade Agreement. The text of his address is at Annex-III.
4. The Member countries elected Mr. Shahid Bashir, Joint Secretary, Ministry of Commerce, Government of Pakistan, as Chairman of the meeting.
5. The agenda of the meeting (Annex IV) was adopted unanimously.
6. The Meeting considered the Revised Draft of Rules of Origin tabled by Pakistan along with the amendments proposed by other members. The outstanding issues were kept in square brackets. The draft text along with the proposed amendments is at Annex V.
7. It was decided that definitions contained in Rule 1 shall be discussed after reaching consensus on all the other Rules of the proposed text.
8. The issue of local value addition for goods in terms of Rule 2 (b) was deliberated at length by the meeting. Iran and Egypt proposed at least 50% local value addition for the goods to attain originating criteria. The other members were of the view that 50% value addition criteria was a stringent requirement and urged them to consider 40% instead. The meeting agreed to finalize this issue in the next Round after all the members exchanged their offer lists for the D-8 PTA.
9. Egypt initially proposed to use the concept of Ex-Factory cost; and subsequently proposed ex-factory price instead of FOB value for determining the content of non-originating goods. The other members except Turkey preferred to use FOB value as the basis to determine the origin of products under Rule 2 (b). It was decided to take up this issue in the next meeting.

10. The %age of cummulation content was discussed in detail in the meeting. Iran and Egypt proposed atleast 60% and 50 % respectively for D-8 content to achieve cummulation. It was deecided to take up this issue after reaching consensus on the criteria of origin under Rule 4.
11. Iran proposed to delete Rule 6 from the draft text. The meeting agreed to decide whether to have product specific rules or not after examining the offer lists of the member states.
12. Turkey supported the proposal tabled by Egypt for an alternate formulation for Rule 8 (Direct consignment). There was however, no consensus and the original formulation in the draft Rules as well as the new formulation proposed by Egypt have been kept in square brackets. These proposals shall be discussed in the next meeting.
13. Indonesia proposed to add a new provision on de-minimis in the draft text. The meeting was of the view that the proposal needs further clarifications. Indonesia agreed to provide the clarification intersessionally through the D-8 Secretariat.
14. The meeting decided that the members shall provide their offer lists for D-8 PTA to the D-8 Secretariat before the next Round of Negotiations, to enable the members to take a considered decision on non-originating content (Rule 4), cummulation (Rule 5) and product specific rule (Rule 6).
15. Egypt, Malaysia, Iran and Turkey proposed addition of new provisions in the draft text, which are put in square brackets in the attached draft text for consideration in the next meeting.
16. For the operational certification procedure (OCP), Egypt tabled an alternate draft. It was decided to discuss the Operational Certification Procedures along with the proposal by Egypt and the comments given by Malaysia, in the next meeting.
17. The meeting considered it desirable to finalize the Rules of Origin and the offer lists for D-8 PTA by the end of 2007, as the sixth D-8 summit is likely to be held in early 2008.
18. Pakistan offered to host the next meeting in April 2007, which was agreed by all the delegates with consensus.
19. Head of the Delegation of Egypt on behalf of all the 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 Rules of Origin. They also appreciated the Government of Pakistan for hosting **the seventh meeting of HLTO in Islamabad.**



# **Workshop on Data Collection, Classification and Management of SMEs**

## Seminar on Data Collection, Classification System and Management of SMEs

Held on March 12-13, 2007 in Islamabad, Pakistan

### **Preamble**

At the XII session of the **D-8** countries held in Cairo on August 11-12, 2003 there was an across the board consensus to revitalize and strengthen the D-8 Grouping. As a part of this effort Pakistan offered to host three activities including a workshop on Data, collection, classification Systems and Management of SMEs. The proposal was welcomed by all the member states comprising Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan & Turkey.

As a first step towards a collective collaborative efforts, this workshop on Data Collection, Classification System and Management of SMEs was considered as a meaningful undertaking that would help to contextualize future efforts after taking stock of ultimate clients i.e. SMEs and the conditions under which they are operating.

### **Developing 8 Countries**

Developing-8 or as popularly known as **D-8** is an arrangement among the member countries for development cooperation. The objectives are to improve developing countries' position in the world economy, diversify and create new opportunities in trade relations, enhance participation in decision-making at the international level, and provide better standards of living. Collectively **D-8** countries are home for 13 percent of the world's population but only 4 percent global trade is emanating from the region. Additionally, D-8 countries intra-trade represented only 3.5 percent of their total trade in 1996 (around 14 billion dollars). Latest figures have shown an increase of 50 percent (from 14.5 billion dollars to 21.3 billion dollars) in last ten years. During the same period, the total trade of the member countries with rest of the world exceeded 400 billion dollars. Given these facts, there is a considerable scope for cooperation and opportunity to boost these figures through recognizing the importance of Small and Medium Enterprises (SMEs) and their contribution to the economic growth, employment generation and poverty eradication. It is in this background the present D-8 cooperation is fostered with a view to synergize efforts, while making use of collective wisdom and regional experiences in all related areas.

### **SMEs Potential, Contributions and key Characteristics**

In most of the developing economies, it has been realized now that the role of Small and Medium Enterprises (SMEs) are crucial to economic development. SMEs comprise more than 90 percent of all enterprises, account for 50 percent of manufacturing output and between 44 to 70 percent of employment. The rationale for the development of SMEs lies in the important contribution they make towards:

1. Poverty alleviation
2. Employment generation
3. Generation of new product, ideas and innovation
4. Distribution of wealth in an economy
5. Render increased revenues for the government
6. Improve standard of living
7. Serve as incubators for the development of larger enterprises

SMEs belong to a heterogeneous segment of economic activity: ranging from informal micro-enterprises to highly sophisticated firms working at the frontier of new technological developments. The SME sector is characterized by high degree of volatility both in terms of new start-ups and closures. It has been estimated that up to 50 percent of SME start-ups in most economies do not survive the first 5 years. In most developed countries, SMEs derive their strength and comparative advantage either from specializing in niche markets or from linking-up with large, often transnational corporations (TNCs) through integration into their supply chain. However, in developing countries SMEs compete head-on with large companies in the same markets with the same type of products but with an inherent disadvantage of limited resources. SME-TNC linkages can be a remarkable source of entering global supply chains. These business linkages do not happen automatically. It requires partnership among all stakeholders: the government, TNCs, SMEs and their support agencies.

The accelerating processes of globalization and trade liberalization complimented by advancement in information technology are fundamentally changing the business rules at all tiers. SMEs already involved in global markets and their adjustment capabilities are being put to test. For new entrants gaining access to the global markets may be a more daunting task than ever before. For SMEs to compete in global markets, and to counter the threat of their marginalization, technological and managerial competence are crucial and need to be addressed at both micro & macro levels complimented with support programs. To unleash the potential of small & medium enterprises fully, SMEs need support in being effectively connected with global markets, in finding buyers for their products and suppliers for their inputs. This requires capabilities in harnessing skills, technology, information and research, which can tremendously benefit from partnerships among the SMEs of each D-8 member country. However the biggest hindrance in holding SMEs hands for brokering these partnerships, plugging SMEs into global supply chains, stimulating exchange of experience and joint learning, supporting technological upgrading is the lack of availability of **DATA** and its Collection, Classification & Management skills among the D-8 member countries.

The same was the main objective of D-8 workshop being held on March 12-13, 2007 in Islamabad, Pakistan. It was expected that countries would share their experiences and may suggest some uniformity on Data Collection & sharing mechanism among the member countries.

### Minutes of the Working Session

#### **Inaugural Session**

1. Mr. Asad Elahi, Secretary Statistical Division, Ministry of Finance, Government of Pakistan, welcomed the delegates from D-8 member countries as well as the local participants. Whilst highlighting the significance of Small & Medium Enterprises (SMEs) for the development of economy of any country, he termed this workshop as first step towards formal and meaningful economic planning. He hoped that this workshop would assist D – 8 Secretariat in developing sound and uniform statistical systems pivotal for the promotion of SMEs of the member countries. He insisted that augmenting level of unemployment and poverty in developing countries could be controlled through SME development initiatives.
2. Mr. Asad Elahi informed the delegates about various statistical surveys which Pakistan had undertaken including Survey of Small Industries in Pakistan and Labor Force Survey. He apprised that the flagship project of Pakistan Federal Bureau was Economic Census of Pakistan. He told that Labor Force Survey was being conducted on quarterly basis whereas few other important surveys on Manufacturing Industry, Energy Indicators and ITC indicators were in process. He also transpired that Government of Pakistan was taking various initiatives for

developing sophisticated system of data collection, classification and analysis. Government of Pakistan is in the process of setting up Statistical Authority of Pakistan as an autonomous body backed by a new law which was under preparatory stage at this moment.

3. Mr. Mohammad Waheed-ul-Hassan, Director General (EC) Ministry of Foreign Affairs, Government of Pakistan, underlined the background of D-8 consortium. He desired that this workshop would carve way for establishing a proper mechanism for developing mutually compatible standards, sharing the data and knowledge about SME development amongst the member countries.

#### **Session I: Data Collection needs, Purpose and Current Situation**

4. Dr. Ejaz Shafi Gillani, Chairman, The GALLUP Pakistan, inaugurated the 1<sup>st</sup> session. After a formal introduction of all participants Dr. Gillani shed light on the importance of data collection and its purpose. He exemplified the need of multifaceted data for decision making at Governmental level, especially with reference to business statistics. He also sought an overview of current scenario of data collection by all representatives of member countries.
5. It was agreed that need of data collection has already been realized by developing countries. However these countries are facing multidimensional problems in collection and validity of data. The lack of basic definition and classification of respondents like SME definition, Household definition and common understanding of particular socio-economic groups etc., are realized to be fundamental impediment in this regard. Mr. Gillani shared his vast experiences of working with Government of Pakistan and International Organizations like World Bank etc., for different surveys and highlighted the problems which he faced at different levels of the research cycle.
6. Issues involved like need, data collection methodology, respondent errors, analysis, credibility and timeliness of data were discussed in detail. All participants also gave a brief overview of SME definitions of their respective countries.

#### **Recommendations and Suggestions:**

7. It was agreed that all countries should prepare and share with each other a brief of their SME sector including definition of SMEs, need of data for them, methodology, responsible organization(s) and complications involved in the process.
8. **D – 8** Secretariat may encourage all member countries to arrange virtual meetings of concerned representatives from each country on quarterly basis. These virtual meetings (e.g., Call Conferencing, Video Conferencing etc) will provide a very cost effective and efficient mean to interact with each other periodically and will carve way to establish a common data warehouse of D – 8 countries.

#### **Session II: Data Classification, Harmonization and Computability**

9. Mr. Jamil Afaqi, General Manager Policy and Planning, Small and Medium Enterprise Development Authority (SMEDA), Government of Pakistan, chaired the 2<sup>nd</sup> session of the

workshop. He elucidated the emerging trends of globalization and regional economic cooperation as well as stressed the consequent need of standardization of data so that it could be shared among the countries. Mr. Afaqi also explained how quality and updated data assists the policy wings of government to commence SME focused projects and introduce business friendly regulations.

10. Dr. Noor Mohammad Larik, Adviser Statistics, COMSATS Institute of Information Technology, Islamabad presented his views on the topic (Copy of Presentation in Annexed). He briefly explained Statistical System in Pakistan, General Statistical Act 1975 and definition of Official Statistics in Pakistan. Dr. Noor also facilitated discussion of the participants on the following aspects of the topic:

- I. Data Collection Source i.e. Administrative Records, Primary and Secondary resources.
- II. Quality of data. Integrity, Methodological soundness, Relevance and Accuracy, Timeliness and Punctuality, Accessibility and Clarity, Comparability and coherence of data.
- III. Sampling frame, survey cycle and errors involve in sampling surveys.
- IV. Research and Development in Official Statistics.

#### **Recommendations and Suggestions:**

11. It was agreed that effective policies/decisions making, implementation and evaluation of policies need information in the form of data. The availability of such data may be ensured by the producers of statistics in each country.
12. The availability of data and gaps has been pointed out in the aide-memoir of the World Bank for Education sector. Such types of aide-memoir are also required for other sectors of the economy, including SME sector.
13. There is a need of determining contribution of Information Technology towards national economy.

#### **Session III: Data Warehousing, Database Management, Harmonization across countries**

14. Dr. Noor Mohammad Larik, Adviser Statistics, COMSATS Institute of Information Technology, Islamabad chaired this session. In pursuance of the objectives of D – 8 Secretariat to develop a common database, participants of member countries explicated the data collection organs and central databank of their respective countries / organization. SMEDA officials also notified the way SMEDA collects and share data regarding SMEs. It was told that SMEDA is the partner organization to World Bank for conducting Investment Climate Analysis I and II. (ICA-I&II). Another initiative to SMEDA / Government of Pakistan for providing a common platform for data sharing to SMEs, namely Industrial Information Network ([www.iin.com.pk](http://www.iin.com.pk)) was also discussed in detail. Participants from all member countries showed their interest to know about mandate and concept of IIN.

15. The discussion was preceded by a brief presentation by Mr. Murat Alper OZTURK, Small and Medium Industry Development Organization (KOSGEB). (A Paper prepared by Mr. Murat is Annexed)
16. Mr. Murat provided an overview of Turkish industry and role of KOSGEB for development of SMEs. He briefly described Economical and Strategrical Research Activities undertook by Turkish Government. He also explained the SME focused initiatives of KOSGEB including:
  - I. The establishment of Euro Info Centers (EICs) in Turkey
  - II. Small and Medium Information Network and E-Commerce Service
  - III. Business Matching Models
17. Mr. Murat also enlightened the participants about the Turkish Statistical Institution and Classification system.

#### **Recommendations and Suggestions:**

18. Mr. Iftikhar Hussain, General Manager, SMEDA directed a conceptual discussion to establish a data warehouse among D – 8 countries. It was mutually agreed that further steps would be taken to materialize the subject data warehouse.

#### **Wrap Up Session:**

Mr. Mohammad Waheed-ul-Hassan, Director General (EC) Ministry of Foreign Affairs appraised the participants about scope of D – 8

19. Consortium and its role to enhance the cooperation among member countries. He highlighted to further strengthen this consortium to get tangible outcomes of industrial development among the member countries.
20. Highlighting the fact that D – 8 countries cover 13% of world population but their combined share in global trade is only 4%, Mr. Waheed-ul-Hassan revealed that there is immense potential to increase this figure to manifold through promotion of Small and Medium Enterprises. He suggested a Statistical Forum comprising of users and producers of statistics to be established among member states. The subject forum would undertake the following activities:
  - I. To examine the data availability
  - II. Identify the gaps in data series
  - III. Suggest some areas of importance for research
  - IV. Analysis
  - V. Suggest utilization of new technologies/methodologies being developed.
21. Mr. Iftikhar Hussain, General Manager, SMEDA presented gratitude to all participants of the meeting. He hoped that foreign delegates would have enjoyed the hospitality of Pakistan. In his concluding remarks, Mr. Iftikhar Hussain aspired that this workshop would have enlightened

the participants about the need to develop a system of data collection, classification and sharing among the group so as to diversify the cooperation and create new opportunities in trade relations.

22. The workshop ended with note of thanks to SMEDA, Ministry of Foreign Affairs, Government of Pakistan and D – 8 Secretariat for arranging this prolific workshop. They unanimously agreed that this workshop would pave a strong way for establishment of common data warehouse and hence would lead towards tangible economic gains and SME development in member countries.

### **Annexure 1**

#### **Recommendations and Suggestions of the Workshop**

1. It was agreed that all countries should prepare and share with each other a brief on SME sector including definition of SMEs, need of data for them, methodology, responsible organization(s) and complications involved in the process.
2. D – 8 Secretariat may encourage all member countries to arrange virtual meetings of concerned representatives from each country on quarterly basis. These virtual meetings (e.g., Call Conferencing, Video Conferencing etc) will provide a very cost effective and efficient mean to interact with each other periodically and will carve way to establish a common data warehouse of D – 8 countries.
3. It was agreed that effective policies/decisions making, implementation and evaluation of policies need information in the form of data. The availability of such data may be ensured by the producers of statistics in each country.
4. The availability of data and gaps has been pointed out in the aide-memoir of the World Bank for Education sector. Such types of aide-memoir are also required for other sectors of the economy, including SME sector.
5. There is a need of determining contribution of Information Technology towards national economy.
6. It was mutually agreed that further steps would be taken to materialize the aim of establishing a common data warehouse among the member countries.

**Capacity Building Programme on the Settlement of  
Disputes in International Trade, Investment and  
Intellectual Property and through Regional  
Mechanisms**



**Report of the Capacity Building Programme for  
Developing Eight Countries  
on the Settlement of Disputes in International Investment, Trade and Intellectual Property and  
through Regional Mechanisms**

**Jakarta, Indonesia, 27-29 April 2007**

47. The Government of the Republic of Indonesia has convened the Capacity Building Programme for Developing Eight (D-8) Countries on the Settlement of Disputes in International Investment, Trade and Intellectual Property and through Regional Mechanisms in Jakarta, on 27-29 April 2007. The Programme was conducted in the framework of the D-8 cooperation and in collaboration with the United Nation's Conference on Trade and Development (UNCTAD). It was attended by participants from D-8 countries, namely Bangladesh, Egypt, Indonesia, Iran, Nigeria, Pakistan and Turkey, as well as guest participants from Saudi Arabia and ASEAN Secretariat. The list of participants is attached as Annex I.
48. The programme was officially opened by the Acting Director General for Multilateral Affairs, Department of Foreign Affairs of the Republic of Indonesia, Mr. Budi Bowoleksono. He highlighted that the programme is a follow up and implementation of the commitment of the Government of the Republic of Indonesia to enhance technical cooperation among D-8 countries through practical capacity building in many areas of development. The Programme is also meant to build the permanent capacity of D-8 members to enable them to manage effectively and efficiently investment, trade and intellectual property rights disputes. The text of the opening remarks is attached as Annex II.
49. During the opening session, similar remarks were made by the Secretary General of D-8, Dr. Dipo Alam, MEA, the Manager of the United Nations' Project on Capacity Building in Dispute Settlement in International Trade, Investment and Intellectual Property, Ms. Chitra Radhakishun, and the Principal Director of the Bureau for Economic Integration and Finance of the ASEAN Secretariat, Mr. S. Puspanathan. They noted that the programme is important to increase the developing countries' capacity in the field of dispute settlement with regard to the relevant rules and procedures as well as to avoid, to the extent possible, the occurrence of a dispute.
50. The programme on dispute settlement took place during the course of three days in a training workshop format, which involved the presentation of a series of modules, lectures, interactive discussions and exercises. It corresponds to the need for creating permanent capacity of professionals such as government officials, investment authorities, lawyers, as well as business people and the society in the field of dispute settlement. It encompassed the rules, procedures and practice of dispute settlement according ICSID and ASEAN mechanism, which may be necessary to prevent disputes or alternatively provide an orderly settlement of the disputes.
51. Due to the limited time available and to serve the interest of the participants, the programme was dedicated to the issue of dispute settlement in investment. The presentation was conducted by ICSID Senior Counsel, Ucheora Onwuamaegbu, who elaborated on the history, purpose, and characteristics of the ICSID Convention. He highlighted the link between investment and development and underlined that it is important for countries to maintain an attractive investment climate which includes the formulation of regulations in favour of investors. This also reflected the World Bank's concern for the promotion of private investment as a factor of development. In this

regard, ICSID was established particularly to provide a forum for investment disputes involving state and private parties. The ICSID Convention offered a choice of methods between conciliation and arbitration. The jurisdiction of the Centre requires three elements, which are: consent of the parties, existence of a dispute arising directly out of investment, and dispute between a contracting state and a national of another contracting state. The Convention also contained a series of provisions formulated to make certain the institution and continuance of proceedings. ICSID awards are final and binding in nature and cannot be reviewed outside the Convention's system. The parties have the obligation to recognize and enforce the awards decided by ICSID. Such recognition and enforcement may also be sought in any state party to the convention.

52. Professor M. Sornarajah LL.M, PhD, LL.D, a member of the Board of Advisers of the UNCTAD Project on Dispute Settlement in International Trade, Investment and Intellectual Property, shared his knowledge and practical experiences in dealing with dispute settlement in international investment, trade and intellectual property. He highlighted several past and pending cases that involved different countries in the Asian region and underlined that the basis of arbitration in dispute settlement cases are the consent of both parties. In this regard, developing countries should look at other alternative forums for dispute settlement and chose the one that would be most beneficial to them.
53. Ms. Tananya Huyanan, Special Legal Officer for the Agreements and Compliance Unit at the ASEAN Secretariat in Jakarta, gave a presentation about the ASEAN regional approach to dispute settlement, which aimed to provide for a peaceful settlement of disputes by the way of friendly negotiations and good offices. The ASEAN Dispute Settlement Mechanism provided three stages of mechanism and processes that can be used by disputing parties, namely: advisory stage, consultative stage and adjudication stage. The advisory stage provides the ASEAN Consultation to Solve Trade and Investment Issue (ACT), which is a network of government agencies envisaged to allow the private sector to achieve the speedy resolution of operational issues encountered in relation to cross-border trade and investment issues within ASEAN. In the consultative stage, the ASEAN Compliance Body and the conciliation and mediation processes are offered. And in the enforcement stage, the Enhanced ASEAN Dispute Settlement Mechanism will be implemented through a panel established by the Senior Economic Officials Meeting (SEOM) to make an objective assessment and issue its findings and recommendations on a dispute.
54. Apart from ICSID and the ASEAN Dispute Mechanism, there is also the WTO Dispute Settlement, which comprises a set of rules and procedures, Commercial Defense Measures and Agriculture and Sanitary and Phytosanitary (SPS). Parties to a dispute, depending on the field, may also seek recourse in International Commercial Arbitration, WIPO Arbitration-Mediation Centre, or other traditional mechanisms such as the ICJ and PCA.
55. The programme was concluded on 29 April 2007 and was marked by the awarding of certificates to the participants for their participations in the programme. In his closing remarks, the Acting Director of Socio-Cultural Affairs and International Organizations of Developing Countries of the Department of Foreign Affairs of the Republic of Indonesia, Mr. Ronald Y. P. Manik, underscored his appreciation to all participants and congratulated them for completing the programme. He also expressed his gratitude to D-8, UNCTAD, ICSID and ASEAN Secretariat for their cooperation and sharing their expertise and knowledge with the participants. The text of his closing remarks is attached as Annex III.
56. Participants expressed their gratitude and appreciation to the Government of the Republic of Indonesia for organizing the Capacity and Intellectual Property and through Regional Mechanisms.

57. The report of the programme would be submitted to the next meeting of D-8 Commission and D-8 Council of Ministers for consideration, adoption and further implementation by D-8 member countries.

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## **Eighth meeting of High Level Trade Officials**

## **Report of the Eighth Meeting of High Level Trade Officials of D-8 Countries**

**May, 3-4 , 2007**

**Islamabad, Pakistan**

1. The Government of the Islamic Republic of Pakistan hosted the 8th Meeting of High Level Trade Officials (HLTO) of the D-8 Countries in Islamabad, on May, 3-4, 2007. The delegations from all Member States attended the meeting. The list of participants is attached as Annex I.
2. Mr. Tariq Osman Hyder Additional Foreign Secretary of Pakistan, in his welcome address, highlighted the need to create economic co-operation within the D-8 member countries for moving forward in the world. The early finalization of the PTA Rules of Origin will boost the prospects of increase in the bilateral trade among brotherly Muslim countries. The text of his welcoming remarks is attached as Annex II.
3. The Secretary General D-8 in his key note address appreciated the work done by the officials for creating consensus on all outstanding issues. He urged all the member countries to conclude the Rules of Origin to operationalize the PTA at the earliest. The text of his speech is at Annex-III.
4. The Member countries elected Mr. Shahid Bashir, Joint Secretary, Ministry of Commerce, Government of Pakistan, as Chairman of the meeting.
5. The agenda of the meeting (Annex IV) was adopted unanimously.
6. The Meeting considered the Revised Draft of Rules of Origin along with the amendments proposed by other members. Most of the issues were settled by consensus except a few provisions kept in square brackets. The draft text along with the brackets is at Annex V.
7. All members except Egypt agreed on 40% value addition criteria and Ex-Works price criteria for determining the origin of not wholly obtained goods (Rule 4). Egypt proposed 50% value addition instead of 40 %. In addition, Bangladesh requested for special and differential treatment for LDCs.
8. Egypt proposed to adopt the operating certification procedures (OCP) text which was agreed by the OIC Members in the recently concluded OIC, TPS Rules of Origin meeting (Annex VI). The issues which were not agreed upon in the OIC meeting could be discussed in the next meeting. The meeting agreed to the proposal on *ad referendum* basis.
9. It was agreed that all members would send their list of products under the D-8 PTA to the D-8 Secretariat for circulation among the members and finalization in the next meeting.
10. The participants reaffirmed their resolve to conclude the Rules of Origin and Offer List by the end of 2007.
11. The date and venue of the next meeting will be co-ordinated by the D-8 Secretariat.
12. Head of the Delegation of Egypt on behalf of all the 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 most

of the provisions /rules of the draft Rules of Origin. They also appreciated the Government of Pakistan for hosting the seventh meeting of HLTO in Islamabad.

## **Third meeting of the Working Group on Industry**

**REPORT OF THE 3<sup>RD</sup> MEETING OF WORKING GROUP ON  
INDUSTRIAL COOPERATION OF DEVELOPING 8 (D8)  
KUALA LUMPUR, MALAYSIA**

**22-23 MAY 2007**

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**INTRODUCTION**

1. The Third Meeting of Working Group on Industrial Cooperation (3<sup>rd</sup> WGIC) of Developing 8 (D8) was held in Kuala Lumpur on 22 and 23 May 2007. The Meeting was attended by representatives from Bangladesh, Egypt, Indonesia, Iran, Malaysia, Pakistan and Turkey. The Secretary General of D8 also attended the Meeting. The List of Delegates as in Annex I.

**AGENDA ITEM 1: WELCOME REMARKS**

2. The Chairman, Mr. Kamaruddin Ismail, Senior Director of Sectoral Policy, Ministry of International Trade and Industry Malaysia, extended his warmest welcome to all delegates. The welcome remarks by the Chairman as in Annex 2.

3. The Meeting was co-chaired by Mr. Coskun Kukul, General Directorate for Industry, Ministry of Industry and Trade, Turkey as the Country Coordinator for the WG-IC. The remarks by the Co-Chair as in Annex 3.

**AGENDA ITEM 2: BUSINESS ARRANGEMENTS**

4. The delegates were invited to introduce themselves. The Meeting was held in plenary.

**AGENDA ITEM 3: ADOPTION OF AGENDA**

5. The Meeting took note and adopted the Agenda as in Annex 4.

**AGENDA ITEM 4: ADOPTION OF THE MINUTES OF THE 2<sup>ND</sup> WORKING GROUP MEETING ON INDUSTRIAL COOPERATION**

6. Meeting was briefed on the 2<sup>nd</sup> WGIC meeting which was held in Tehran, Iran on 27 and 28 June 2005. The Meeting adopted the Report of the 2<sup>nd</sup> WGIC meeting as in Annex 5.

7. The Chairman suggested that specific action plans need to be formulated. The Chairman emphasized that D8 can learn from the practices of other regional organizations such as ASEAN in moving forward in its industrial cooperation. The Meeting took note that the private sector would also be invited for future WGIC meetings.

8. The Meeting agreed that each Member Country is to designate a focal point representing the industrial development for the purpose of coordination of cooperation works for the WGIC.

**AGENDA ITEM 5: DISCUSSION ON TERMS OF REFERENCE OF WORKING GROUP ON INDUSTRIAL COOPERATION**

9. The Meeting discussed and adopted the draft Terms of Reference (TOR) of the WGIC prepared by Malaysia with amendments as in Annex 6. The TOR is to be tabled for endorsement by the Commission of D8.



10. The Meeting decided that there would not be a co-chair person for future WGIC meetings and to include the establishment of an Expert Group for specific sectors.

11. The Meeting agreed that the existing website of D8 should be utilised to promote information exchange on industrial cooperation. However, Member Countries could submit detailed proposals to D8 Secretariat for necessary action.

12. The Meeting proposed D8 Secretariat to provide secretariat support or WGIC country coordinator to establish a permanent secretariat for future meetings.

AGENDA ITEM 6: PRESENTATION OF REPORTS ON INDUSTRIAL COOPERATION

Agricultural Machinery

13. Iran presented its proposal on cooperation in agricultural mechanisation (AGM) as in Annex 7. The Meeting agreed Iran to distribute comprehensive questionnaire within two weeks. Member Countries are to submit the relevant information to the Head of Delegation within one month to Iran after receiving the questionnaire.

Food Processing

14. Malaysia briefed the Meeting on cooperation in the food processing sector as in Annex 8. Malaysia proposed that areas of cooperation to include production and trade in Halal food and healthcare products including cosmetics and toiletries. Due to lack of statistics, the Chairman proposed Member Countries to provide trade statistics to the D8 Secretariat.

15. Turkey presented the proposal on Food and Beverages Cooperation as in Annex 9.

16. Meeting agreed that a detailed study should be carried out on tariffs, non-tariff measures, licensing, logistics, etc affecting the trade in food sector among D8 Members by United Nations Conference on Trade and Development (UNCTAD) or International Trade Centre (ITC) to facilitate increase of trade.

17. The Meeting agreed for a complete study on standardisation of the certification of the food sector to be tabled at the next meeting. Malaysia informed that there is a study comprising Turkey and Indonesia which have already been carried out. The Meeting decided the study to include all Member Countries. The report will be presented at the 4<sup>th</sup> WGIC meeting.

Metal and Mining

18. The Turkish Association of Jewellery (TAJ) forwarded a report on *Abolishing Customs Restrictions and Industrial Cooperation in Precious Metals and Jewelry Sector* for information of the WGIC as in Annex 10. The Meeting requested Turkey to follow-up on this issue.

Mutual Recognition of Standards

19. The Meeting was briefed by Malaysia on the proposal to extend on-the job training program in the Department of Standards Malaysia for laboratory accreditation process to Member Countries as in Annex 11. The meeting decided 2 representatives from each Member Country to be invited for the

training program proposed to be held in March 2008 in Malaysia. The Secretary General will recommend to Islamic Development Bank (IDB) to provide funding for the training.

#### Power Generating Machinery Sector

20. Turkey presented a paper on the Turkish Power Generating Machinery Sector and D8 Countries as in Annex 12.

21. The Meeting requested Turkey to elaborate the paper further to include strategies in the oil and gas sector and to be presented at the 4<sup>th</sup> WGIC meeting. Member Countries could forward any comments directly to the D8 Secretariat.

#### Textiles

22. Indonesia presented a paper on cooperation in textiles as in Annex 13. Indonesia proposed cooperation in R&D, training and education, testing services using facilities of the Centre for Textile to Member Countries and requested for cheaper raw materials from Member Countries.

23. Malaysia presented its paper on textile cooperation among D8 members as in Annex 14. Member Countries were requested to update the textile industry profile in the D8 website.

24. Turkey presented its paper on textile sector in Turkey as in Annex 15.

25. The Meeting proposed Member Countries to use the D8 website to share information with the private sector in order to develop the D8 Textile Industry Roadmap.

#### AGENDA ITEM 7: OTHER AREAS OF COOPERATION

26. Pakistan presented a paper on Pakistan Industrial Cooperation with Member Countries as in Annex 16. Proposed potential areas of cooperation by Pakistan are automotive and parts, chemical products, iron and steel, food processing, machine tools and cluster development in SMEs. Member Countries are proposed to undertake initiatives into SME collaboration in the fields of iron and steel, petrochemical, food processing and electrical and electronics.

27. The Meeting took note of potential areas of cooperation such as automotive, petrochemical, rubber, wood-based products, construction and infrastructure.

28. The Meeting proposed the following country presentations at the 4<sup>th</sup> WGIC meeting:

- i) Malaysia - Management of Airport and Port Services Cooperation among D8;
- ii) Turkey - Automotive Sector;
- iii) Indonesia - Automotive and Other Sectors;
- iv) Pakistan - Chemical and Petrochemical;
- v) Egypt - Textiles, Iron and steel, petrochemical;  
and
- vi) Iran - Petrochemical, automotive, cement, power and steel plant.

29. The Meeting took note of the Visa Simplification Agreement ratified by Egypt, Turkey and Iran and Customs cooperation among Member Countries.

AGENDA ITEM 8: CONSIDERATION AND ADOPTION OF 3<sup>RD</sup> WGIC MEETING REPORT

30. The Meeting considered and finalised the Report of the 3<sup>rd</sup> WGIC Meeting.

AGENDA ITEM 9: DATE AND VENUE OF THE 4<sup>TH</sup> WGIC

31. The Meeting agreed to hold the 4<sup>th</sup> WGIC in Indonesia tentatively in April 2008.

AGENDA ITEM 10: CLOSING REMARKS

32. The Meeting expressed its appreciation to Malaysia for the warm hospitality and excellent business arrangements during the Meeting.

# **Workshop on Emerging Threats and Opportunities of Globalization for Rural Development**

## **CHAPTER-III**

### **Plenary Session**

#### **3.1 Session-1 : Discussion on Keynote Paper Presentation**

This plenary session-1 was presided over by Mr. Md. Shamsul Hoque, Director General, Multilateral Economic Affairs, Ministry of Foreign Affairs, Government of the People's Republic of Bangladesh, Dhaka.

At the very outset, the chairperson expressed that globalization has many facets. He also mentioned that the keynote paper presenter Professor Dr. Mahbub Ullah already discussed the globalization issue in detail in his paper and appreciated the knowledge, skill and talent of the presenter. Then he invited the key discussant Professor Dr. Abu Ahmed, Department of Economics, University of Dhaka to make his critical comments on the paper presented in the previous session.

While discussing the paper, Professor Abu Ahmed mentioned that the presenter incorporated many issues like sociology, economics and philosophy in describing the concept of globalization. He also mentioned that there should not be any demarcation in exercising the concept on religious or any other regional grounds.

Professor Ahmed reiterated that Muslim community should not be afraid of globalization and because the ideological controversies are eroded, there exists some marginal controversies over it. He further stated that as far as economic benefits from the different trade blocks of the developed and developing countries are concerned, Bangladesh is currently involved in SAARC and SAPTA. She also needs to be involved with other economic blocks for economic as well as trade development. As for example, as member of ASEAN, Taiwan is getting the privileges of tariff concessions from US market. Bangladesh should search for such kind of privileges regarding access to US market with tariff concession. Moreover, out of 49 developing countries, 35 countries are getting zero-tariff access to US market.

Regarding Overseas Development Assistance (ODA) of the poor countries economy, he mentioned that sometimes IMF prescription goes against the interest of the poor people. In the regard, he cited the example of price hike of petroleum, electricity, withdrawal of agricultural subsidy, etc. which affect the livelihood of the low and medium income group people of the respective countries. Usually IMF pursues same strategies in all developing countries, but India resisted the effort with strong political commitment. So, Bangladesh should also achieve such sorts of courage and commitment, based on strong political grounds.

The discussant warned that the game of rural development has been confined to micro finance today. Dr. Akhter Hameed Khan, as a pioneer of rural development effort, never did anything for his self-interest rather he preferred capital accumulation for the well being of the rural poor farmers. In this regard, he categorically mentioned that the rural development sectors are controlled mostly by the NGOs and he suggested that there should be strong regulatory framework for NGO intervention regarding micro-finance operations so that poor people can get the real benefit from the endeavour.

In the recent WTO and Doha Round Conference, it was decided to withdraw subsidy from agricultural sector. He reminded that if Bangladesh continues to loose cultivable land at the rate of 1% per year, there would be a food shortage in the near future. Moreover, if the price of the agricultural commodity will go up in the international market, Bangladesh will have to invest huge money for importing the foodstuff from abroad. These shortcomings can be overcome through the introduction of Genetically Modified (GM) technology in the country. He warned that many European countries have already stopped and some are cautiously handling the (GM) food production due to health hazards. Consequently Bangladesh would also loose fertility of the land, local variety if GM technology is adopted. He requested BARD to look into the matter and conduct a thorough research in this regard.

Regarding the price control mechanism of different produces in the international markets, the discussant mentioned that European Union (EU) and US are in a better position to dictate and control price of commodities through strong trade blocks interactions. So, Bangladesh should join in the new trade-blocks with other D-8 countries for getting the advantage of better price of the produces.

The discussant also expressed that Bangladesh government should be more attentive about SMEs (Small and Medium Scale Enterprises). He further mentioned that livestock, poultry, fish farming and other small industries should be promoted in the rural areas. He opined that BARD should undertake a research on the 'output elasticity' of SMEs particularly which type of industries should be given subsidies, as non-profitable industries are not eligible for getting subsidies.

Before concluding his remark on the paper presented, the discussant also emphasized the need of the continuity of Social Safety Net Program for the sustainability of vulnerable rural people. He requested the government not to accept any unacceptable conditionalities of World Bank/IMF. He finally remarked that the paper contains much more to share beyond the agenda of the workshop.

After the deliberations of the discussant, the chairperson expressed some personal comments. He mentioned that there is no mentioning of remittances in the paper. He argued that Bangladesh has already earned more than 5 billion US dollars as remittances during this year. He believed that the remittance flow to Iran, Indonesia, Pakistan, Egypt are also high and is contributing to their economy enormously. He also mentioned that in Japan and South Korea 80% economy is based on the SMEs. Before making the floor open, he referred to three engines of growth, namely domestic, regional and global, where the D-8 countries can work together to reap the benefit of co-operation.

- ❖ In the question and answer session, Mr. Fazlul Alam Talukder from BRDB (Bangladesh), raised a question regarding how human resource can be developed to compete with developed countries. Replying to the question, the presenter Dr. Mahbub Ullah acknowledged that there is not much information regarding human resource development in the paper. But at this stage he referred to his own book titled 'Globalization: Search for Identity' where there is enough information on this issue. Later on, he also raised another

issue regarding disruption of capital market and what could be done for that. In reply Professor Abu Ahmed mentioned that Thailand, Turkey, Indonesia and South Korea markets are capital oriented, but the market of Bangladesh is yet to become capital oriented. He preferred the orderly growth of capital market in Bangladesh.

- ❖ The next question is raised by Mr. Shafiqur Rahman Bhuiyan, Deputy Chief, RDCC. He asked the necessity of the word 'Prophet' in page 7 of the paper. In this regard, the presenter replied that the very terminology means that whoever proposes anything can be termed as prophet. The word has not been mentioned here with religious connotations. He also argued that we all have respect for our religious prophets.
- ❖ Then the next question was asked by Mr. Hasan Sarwar, Director (Research), BARD, Bangladesh. He enquired whether globalization increases the leakages of resources. The presenter referred to one book written by Prof. Jhon Harvard titled 'Economics of Fraud'. He also expressed that in modern economics, moral hazards come out from asymmetry of information. He also opined that market could function only under perfect information, which is missing mostly in real world.
- ❖ The next question is raised by Mr. Osman Gani Talukder, Deputy Chief, Ministry of Women Affairs, and Bangladesh. He enquired about the human trafficking condition within D-8 member countries. In this regard, the presenter replied that as long as poverty and deprivation are there in any country, this trend would go on. Government of the D-8 countries can co-operate among themselves to curb this menace. He argued that the concern of human trafficking is moral rather than economical.
- ❖ Mr. Matinul Hoque, Deputy Secretary, Ministry of Local Government raised a question regarding local government involvement in rural development. In this regard, the presenter mentioned that local government is critical for managing local development issues. Now-a-days people are migrating from rural to urban areas and all cities are becoming city of peasants. So, local government for rural areas as well as urban is equally important.
- ❖ Dr. Mihir Kumar Roy, Director, BARD, Bangladesh raised a question regarding setting up a D-8 micro credit forum because Bangladesh feels proud as the birth place of micro credit, which has gone into wider practice among the world nations for addressing the cause of rural development. Bangladesh should therefore, propose to host a meeting with the objective of setting up a micro credit forum of D-8 countries which can periodically review the micro credit performance in the member countries & facilitate dissemination of innovative experiences in this field. Considering the homogeneous religious culture of the region & also keeping it simultaneously in mind that micro credit has mostly addressed women very effectively, the forum can also contribute to evolving mechanism as to how to more socialize the use of micro-credit for the betterment of the women folk of D-8 member countries. He also suggested creating a Directory of RD experts, Research & Training Organization of the D-8 countries, database, opening D-8 web pages on RD, linking with other associations like SAARC, AARDO and creation of a common funds to save rural vulnerable for the D-8 member countries. In this regard, the

discussant mentioned that NGOs are trying to earn money from micro-credit. So there should be a regulatory framework to make the NGOs more transparent and accountable so that people can get the real benefit from micro-credit. Moreover, the presenter suggested a longitudinal study with panel data over a long period to measure the real impact of micro-finance program in poverty reduction.

- ❖ Dr. Ranjit C. Adhikari, Additional Director, RDA, Bogra asked for the comment of the presenter regarding the issue raised on page 9 that Islam poses impediment against globalization. In reply the presenter hoped that all Muslims should cooperate together to project real image of Islam.

At the end of the question and answer session, Chairperson appreciated the audiences for raising questions, which made the session more enlightened, enjoyable and lively. He assured the participants of the workshop that all recommendations that have been made here would be informed to the D-8 secretariat and appropriate authority. He thanked the participants that all the relevant issues were discussed. He further mentioned that credit of development through the intervention of globalization does not go to one organization rather it is the synergy of functions of several organizations. For better entrepreneurship, he mentioned that mind and motivation should come first. Finally, he thanked two distinguished professors, Professor Dr. Mahbub Ullah and Professor Dr. Abu Ahmed for their contributions, participants and the audiences for their patient hearing. With these few words, he concluded the session (Detailed of the Key note paper is attached in Annexure-II).

## Recommendation

- More cooperation among the developing countries, favorable tariff access to the market of the developed countries and easy terms from the donor agencies are essential for overcoming threats of globalization;
- To protect the interest of poor section of community in poor countries, subsidy programme and a regulatory framework for NGOs are needed;
- Loosing cultivable land may cause food shortage in future as well as high price of the agricultural commodity in the international market. On the other hand, Genetically Modified (GM) technology could be a cause of loosing fertility of the land and vanishing local variety of agriculture. Therefore, a research programme on the issues should be undertaken to find out pragmatic solution;
- Enormous potential sectors, such as, livestock, poultry, fish farming and small scale industries in the developing countries should receive government subsidies;
- Remittance is another potential sector of economic development of D-8 countries. Therefore, human resource development programme could be a priority issue of D-8 countries in order to tap benefits of globalization;
- D-8 countries can establish some other supporting forums, such as, micro credit forum to share information and innovative experiences, Directory of RD experts and link with other regional economic forums.



### **3.2 Session-2 : Country Paper Presentation and Discussion-Bangladesh**

The plenary session-2 was presided over by Mr. M. Khairul Kabir, Additional Director General, Bangladesh Academy for Rural Development (BARD), Comilla, Bangladesh.

The session was divided into two parts, firstly, the country paper presentation and finally it was followed by discussion, and question answer. At first, the chairperson invited Bangladesh Group Representative Mr. Hasan Sarwer, Director (Research), BARD, Comilla to present the Bangladesh country paper on behalf of the Bangladesh team.

Mr. Sarwar started his presentation with a snapshot of Bangladesh where he described the country and the people as a whole. Then he discussed about overall development aspects and achievement of the country. Later on he added the rural development, initiatives and achievement of the country.

In the discussion, Mr. Sarwar emphasized on categories of the program taken for rural development. Then institutional involvement and achievement were presented, later he touched on the Poverty Reduction Strategy of Bangladesh Government where rural development along with poverty alleviation was highlighted.

The opportunities for Bangladesh were discussed as follows:

- Advanced agricultural technologies and inputs to accelerate the food production. Moreover, ICT, human resource development, technical and financial assistance, research and training could play a vital role to improve the situation.
- Global assistance and cooperation in health sector are main factors in contributing significantly to reduce the infant, child and maternal mortality rate, severe malnutrition and improve access to health facilities.
- Globalization has created opportunity to replicate / share the rural development experiences / strategies / models around the world like collateral free micro credit model / strategies.
- Access of agricultural items and manufacturing goods to world market have increased such as fish, vegetables, garments, pharmaceuticals etc.
- Bangladesh is gradually becoming a strong export oriented country instead of import based country.
- The scope of jobs in the international job markets i.e. around the world increased which increased the foreign remittance.
- Regional cooperation and foreign investment in the country increased which helped to increase agricultural production and reduce poverty.

- ICT reduced the cost of international transactions and disseminated the information for agriculture, rural and social development.
- Globalization helps economic prosperity, growth, prosperous lives and reduces poverty.
- Strengthens the participation of different stakeholders, groups, institutions in rural and agricultural development.
- More investment in education sectors has been made which helps to increase the literacy rate, female education and children of poor and disadvantaged group of people. In June 2007, according to TV news – World Bank will provide 100 million dollar for education.
- Helps to improve social, economic, agricultural and rural infrastructure.
- Helps for successful implementation and coverage of drinking water and sanitation.

However, it was also discussed that there are some threats of globalization that are threats to the development of Bangladesh. These are as follows:

- World Bank and IMF adjustment policy – the government formulated the policy to open the market. As a result, govt. expenditure in service sector reduced.
- Government investment in service sectors reduced.
- Open market caused competition among industries, as a result, small industries closed and unemployment increased as well.
- Globalization increased the disparity due to adjustment.
- Investment in poverty reduction, economic development and health sector by government, have reduced.
- Penetration of diseases in the country like bird flue, HIV etc.
- Increased leakage of human and capital resources.
- Weakened the formal and non-formal institutions like cooperative, group etc.
- Weakened the country's norms, culture and mortality.
- Damping of low quality goods and inputs.
- Withdrawal of subsidy from food-exporting country increases the price of exported food.

Finally, he present the recommendations of the Bangladesh Group to increase cooperation among the D-8 countries to face the threats of globalization in these countries. These are as follows:

1. More financial and technical assistance and cooperation among D-8 countries;
2. Exchange of ideas, experience, strategies and models of agricultural and rural development programme among D-8 countries;
3. Emphasis should be given on human development and human resource development;
4. More market access in D-8 countries;
5. Ensure the good governance in D-8 countries;
6. ICT sectors should be strengthened in D-8 country.
7. Mind-set development is needed for sustainable cooperation among the D-8 countries.

After the presentation on the paper, the learned participants took part in discussions and came up with some recommendations. These are as follows:

- In case of threats, the participants mentioned that "Agricultural Patent Rights" should be strictly procured and established.
- Formation of a Joint Economic Commission in order to increase the cooperation among the D-8 Countries.
- Attempt to be initiated for establishment of an Islamic University in order to conduct research on Islam and disseminate Islamic education for sharing of knowledge on Islam with the people of the globe. It was mentioned that as D-8 includes Islamic countries, it is their responsibility to help other religious people to understand that Islam is not a religion of terrorists rather it is a religion of peace and prosperity.
- Formation of Joint Fund for Agriculture and Technology Development, ICT development. D-8 countries should work together on agriculture patent right to save the indigenous seeds.

At the end, the chairperson expressed his gratitude for writing and presenting a nice and timely paper on Bangladesh. He also extended cordial thanks to the participants for their valuable comments, suggestions, additions and constructive criticisms. Finally, he thanked all again and concluded the session(The country paper on Bangladesh is annexed as Annexure-III).

### **3.3 Session-3 : Country Paper Presentation and Discussion - Egypt**

The country paper on Egypt was presented in plenary session-3 by Prof. Ashraf Ragab El Ghannam, Head, Department of Rural Community Research, Agricultural Research Centre, Ministry of Agriculture & Land Reclamation, Egypt. The session was chaired by Mr. Md. Qamrul Islam, Director General, BARD. Dr. Mihir Kumar Roy, Director (Administration) was present as Moderator, Mr. Abul Kalam Azad, Joint Director, BARD and Mr. Newaz Ahmed Chowdhury acted as Rapporteurs.

At the beginning of the session, the Chairperson thanked the organizing committee for giving him a chance to chair the session. He sought cooperation from all for conducting the session. Then the chairperson requested Prof. Ashraf to start presentation of the paper within the allocated time.

The deliberation was started with the country profile of Egypt to the participants through power print presentation. The paper was divided into three parts. The part I started with the conceptual issues of globalization and its relationship with rural development. The part II started with the costs/threats and opportunities of globalization for the Agricultural commodities. The part III ended with the possible solutions and enquiries- whither are we today ? And what can we Do?

At the end of the presentation, the Chairperson opened the floor for discussions on the paper. The details of the discussions are presented below :

- The first question was raised by Mr. F.A. Talukder, Deputy Director, BRDB, who wanted to know the condition of the poor in Egypt and different programmes for them. In reply, the presenter stated that the poor people mostly live in the areas beside the Nile river. Among the different projects/ programmes for the poor, nearly 60 percent were successful in changing their livelihood strategies;
- The next question was asked by Mr. Matinul Hoque, Deputy Secretary, Local Government Division, who wanted to know the actual view of globalization as mentioned in the paper. The presenter replied that we need to redefine globalization considering its costs.
- The third question was raised by Mr. Kazi Asif Ahmed, Director, Ministry of Foreign Affairs, who wanted to know the Dependency Ratio of the population in Egypt. The author replied that the Dependency Ratio was 70 percent that meant that almost one third of the population was taking care of the rest of two third population of the country;
- Dr. Mihir Kumar Roy, Director, BARD, wanted to know the threats of globalization and whether the solutions that the author proposed would be materialized at all or whether the country had any long term plan to materialize those solutions. The author was quite silent about the question.
- In reply to a question posed by Dr. Kamrul Ahsan, Director in-charge, BARD, the author replied that the total water resource was 58.6 billion cubic meter. The sweet water mainly came from the river "Nile" and most sweet water as well as saline fish were exploited from Nile river, Mediteranian Sea and Red Sea.
- In reply to a question asked by Mr. Hasan Sarwar, Director (Research), BARD, particularly on social security, the author replied that the country had undergone a transformation from socialist to capitalist economy. So, many industries/companies were privatized, people were jobless, NGOs supported the people for their sustenance through different allowances;
- The next question was asked by Dr. Mihir Kumar Roy, Director, BARD. He wanted to know, why the service sector was growing more as compared to other real sector like Industry & Agriculture. In reply, the presenter replied that as the country had only about 4 percent land, but due to expansion of house building, the scope for agriculture was limited down and the farmers were not interested to adopt modern technology packages. Moreover, the country sells electricity to Senai, Palestine and Clean Water to neighbouring areas. Now, most of the population had gas connection for their household purpose.
- Dr. Ranjit Chandra Adhikari, Additional Director, RDA wanted to know the average age of first marriage of male and female and the presenter replied that the average age of first marriage of male and female were 28 and 24 years respectively.

- When one participant Mr. Osman Gani Talukder, Deputy Chief, Ministry of Women and Children Affairs wanted to know about special programme for women development, the author replied that a lot of programmes were there for women and now women can participate in national / local politics and economic activities for their self employment.
- Mr. Amullaya K. Debnath, Director, IMED, suggested that the paper should have mentioned the actions for D-8 member countries to face globalization. He further stressed that emphasis should be given on the type, nature of cooperation / negotiations to adjust with the globalization process;
- Mr. Md. Dabirul Islam, Deputy Secretary, M/O Health & Family Affairs suggested that the paper should have contained more information about social, religious and cultural aspects of Egypt;
- After a long discussion, the chairperson thanked the presenter for his nice and intellectual deliberation. He also thanked the participants for their meaningful discussions and active participation in the session. He requested the workshop authority to distribute the copy of country paper well ahead to the participants for better interaction. Finally, he thanked the presenter as well as the participants for their patience as shown in the whole business session and formally declared the session. ended (The Country paper on Egypt is annexed as Annexure-III).

### **3.4 Session-4 : Group Report Presentation and Discussion**

After the presentation of two country papers by the respective delegates group discussions was held on this issues:

(a) Identifying Threats and Opportunities of Globalization for Rural Development in the D-8 Countries and (b) Formulation of recommendations to utilize Globalization Opportunities for Rural Development of D-8 countries. All the 15 fifteen participants were divided into two groups. Both the groups carried out group works on the said two issues.

The session of group report presentation and discussion was held on the 26<sup>th</sup> June at 9:30 a.m. Dr. Mihir Kumar Roy, Director (Admn.), BARD and Dr. Kamrul Ahsan Director in Charge, BARD and Workshop Director presided over the session, Kazi Asif Ahmed, Director, Ministry of Foreign Affairs, GoB and Mr. Amulya Kumar Debnath, Director IMED, Ministry of Planning, GoB presented the group reports.

#### **Group-1**

In the group discussions, Mr. Md. Shafiqur Rahman Bhiya, Deputy Chief, RDCD, Bangladesh played the role of a team leader. In this group there were 8 (eight) members. Mr. Abul Kalam Azad, Joint Director, BARD worked as repporteur. After detained bare discussions, the following threats, opportunities and recommendations were formulated :

## **Threats**

- 1) Due to the globalization, there is increased competition among the countries for marketing their produces. In this regard, the agricultural produces of the D-8 member countries have very little scope to win the competition of the developed countries;
- 2) Threats are due to over and unscientific uses of insecticides and pesticides on crops, livestocks, poultry and fishery;
- 3) The member countries of the D-8 group are located at different altitudes of development. The short term, mid term and long term concerns of these countries also do not coincide in many regards. Divergence of interest makes it very difficult for them to adopt a common agenda for Rural Development in the context of globalization;
- 4) Serious disease like HIV/AIDS, diseases related to birds like bird flu (Avian Influenza);
- 5) Decline of arable land and causes of environmental pollution due to rapid global industrialization;
- 6) Scarcity of labor forces in the agricultural sectors is the result of globalization which causes in changing job nature in agro based rural employment;
- 7) Illegal women and children trafficking;
- 8) Extinction of local indigenous varieties along with the locally developed HYV seed resulting in rural agriculture dependent on multinational agro-business companies;
- 9) Withdrawal of subsidy on the agricultural inputs causing production cost increased. Simultaneously it increases the costs of products of expectable items;
- 10) Growing competition out of globalization resulting enclosure of small industries thereby causing unemployment.

## **Opportunities**

- 1) Transferring, sharing and adaptation of appropriate technologies/know-how related to Rural Development specially agricultural field;
- 2) Food production increased significantly, which helps in altering food self-sufficiency;
- 3) Global assistance and cooperation help health and nutritional status (for example life expectancy) of the people improved;
- 4) Creates opportunities for replicating our own developed model for Rural Development in other countries;
- 5) Increase access of agricultural and manufacturing goods to world market;
- 6) Increase job opportunities in the international job markets.

## **Recommendations:**

- 1) The D-8 member countries may take initiatives to create a common fund for agricultural development to help the member countries for producing cost-effective agricultural products so that products of the D-8 countries can easily compete with the global countries;
- 2) Awareness programmes related to crops, livestock, poultry and fisheries through conducting training programmes and exchange of views/ideas among the member countries would be needed;
- 3) Disaster management fund is needed in order to tackle environmental and natural hazards;

- 4) Joint research, collaborative research or exchange programme may be carried out among the D-8 member countries;
- 5) Measures would be needed for more diversified involvement of women in different sectors of agriculture including post harvest technologies;
- 6) Steps to be taken to prevent women and children trafficking;
- 7) Easy access of goods and services in the D-8 countries;
- 8) To immediately cancel the obligation of accepting the minimum importation of 5% of internal consumption. All compulsory market access clauses must be cancelled;
- 9) To remove all negotiation in the areas of food production and marketing from the WTO and from all regional and bilateral agreements;
- 10) To create genuine international democratic mechanisms to regulate food trade while respecting food sovereignty in each country;
- 11) To give each country the right to define their own agricultural policies in order to meet their internal needs. This includes the right to prohibit imports in order to protect domestic production and to implement Agrarian Reform providing peasants and small to medium-sized producers with access to land;
- 12) To allow countries the right to establish food quality criteria appropriate to the preference of its people.

### **Group-2**

There were 7 members in this group. Mr. Amulya Kumar Debnath, Director, IMED, Ministry of Planning, GoB was the Team Leader. Ms. Irin Parveen, Assistant Director, BARD worked as rapporteur. There was in depth discussion on threats and opportunities of globalization in rural development in D-8 countries and based on that some recommendations were formulated to utilize the opportunities of globalization in D-8 countries. These are as follows:

### **Threats**

1. Globalization discourages public expenditure in service sector, thereby reduces access of the poor people to public services (e.g. health, education etc.);
2. Growing competition out of globalization marginalizes the SMEs causing unemployment;
3. Disparities due to adjustment;
4. Spread of fatal diseases like bird flue & HIV/AIDS;
5. Increasing leakages in human & capital resources;
6. Weakens social tie & family bondage, cultural values & religious traits;
7. Dumping of low quality goods & inputs;
8. Withdrawal of subsidy from agricultural inputs increases production cost which in turn increases the price of food items;
9. Global aggression for industrialization causes decline in arable land & also causing pollution;
10. Free flow of insecticides damaging agricultural productivity as well as environment;
11. Globalization causes change in the job nature which creates scarcity of labour power in the rural areas;

12. Globalization usually advocates for decentralization which creates opportunities for the local elites, the strong section of the community to grasp power depriving the poor;
13. Introduction of GMO/GM seeds causing extinction of local varieties including locally developed HYVs it necessary to making dependent on the multi national agro-business companies;
14. Facing challenges in gaining market access due to regulations imposed by the strong industrialized nations;
15. Illegal human trafficking.

### **Opportunities**

1. Creating job opportunities in the world market;
2. Improved access to ICT;
3. Expanding trade & tradable;
4. Increasing avenues of income from non-farm sources;
5. Improved technologies create opportunities for improving agricultural production thereby attaining food self sufficiency;
6. Global assistance and cooperation helps increasing health and nutritional status;
7. Opportunities to replicate our rural development models to other countries.

### **Recommendations :**

1. Establishing a full fledged D-8 Secretariat for better coordination and collaboration among D-8 countries;
2. Multi sharing of agricultural development and disaster management;
3. Setting up a D-8 Joint Economic Commission to work out the common economic concerns and interests;
4. Establishing a D-8 University for Islamic training and research;
5. Financial and technical assistance among D-8 countries;
6. Exchange of ideas, views and practices concerned with rural development;
7. Easy access of goods and services among D-8 member countries;
8. Maintaining adequate public expenditure in the service sector;
9. Continuing subsidies in agricultural sector;
10. Planned industrialization;
11. Cancellation of obligation of minimum importation;
12. Preventive measures against bio-degradation;
13. Protecting local varieties.

#### **3.4.1 Session-5 : Presentation on Compilation of Group Reports and Finalization of Recommendations**

Presentation on completion of group reports and finalization of recommendations took place in plenary session-5. Mr. Md. Qamrul Islam, Director General & BARD and Dr. Mihir Kumar Roy, Director (Administration), BARD presided over the session. Md. Abul Kalam Azad, Joint Director, BARD readout the Compilation of two group reports.



The brief background to the process of how the recommendations of the workshop took place is narrated as below:

1. The participants while working in their respective groups considered the recommendations of the keynote paper;
2. They also considered the suggestions of the country papers;
3. After reviewing both sets of recommendations the groups drafted two separate papers which were presented in the preceding session;
4. Finally, the two papers of two groups were lumped into one set of recommendations as the workshop recommendations and these were also presented in the final recommendation session for further improvement and thus a consolidated set of recommendations of this workshop was prepared.

After Thread bare discussion, the following threats, opportunities and recommendations were adopted:

**A. Identified Threats:**

1. There is real danger of Globalization that the rural poor will be unable to absorb the advanced technologies, knowledge and other assets necessary for boosting livelihoods in a competitive world;
2. The rural poor cannot respond adequately to market opportunities and heightened competition because of lack of market information, weak institutions, poor infrastructure as well as lack of assets and also lack of education; skills, etc. in the management of market enterprises;
3. Globalization widens income disparities between rural and urban people;
4. Globalization may intensify inequalities, and uncertainties, which causes lower economic growth leading to less improvement and less well-being of the rural population;
5. Due to globalization, there is increased competition among the developed and the developing countries for marketing their products. In this regard, farm producers between the D-8 member countries have very little scope to win the competition with the developed countries;
6. Threats are due to excess and unscientific usage of insecticides and pesticides on crops and fisheries. Poultry industry suffers from bird flue and other diseases. Fruit ripening and fish preservation by chemicals for marketing is a great threat for human being.

7. The member countries of the D-8 group are in different stages of development. Therefore, the short term, mid term and long term development of these countries also do not coincide in many regards. Divergence of interest makes it very difficult for them to adopt a common agenda for Rural Development in the context of globalization;
8. Serious disease like HIV/AIDS, and flue (Avian Influenza) may spread due to globalization;
9. Rapid global industrialization reduces arable land and causes environmental pollution;
10. Scarcity of labor forces in the agricultural sector is the result of globalization which causes change of jobs from agro industry to other sectors;
11. Globalization causes illegal trafficking of women and children;
12. Extinction of indigenous and locally developed HYV varieties because of importing hybrid seeds results in agricultural dependency on multinational agro-business companies;
13. Withdrawal of subsidy from the agricultural inputs commodities causes increment of production cost. Simultaneously it increases the production cost of exportable items;
14. Growing competition out of globalization results in forcibly shutdown small industrial units thereby causing unemployment.
15. Globalization discourages public expenditure in service sector, thereby hinder poor people to access to public services (e.g. health, education etc.);
16. Globalization causes leakages of human and capital resources;
17. Globalization weakens social tie and family bondage, cultural values and religious traits;
18. Dumping of low quality goods and inputs in the production units;
19. Globalization usually advocates for decentralization which creates opportunities for the local elites to grasp power of depriving the poor;
20. Most of the D-8 member countries are facing challenges in gaining market access due to adverse regulations imposed by the highly industrialized nations;

**B. Identified Opportunities**

1. Globalization accelerates opportunities of economic growth to the rural poor because of their more access to advanced technology, high quality inputs and integration with export market;
2. Globalization has rapidly improved the social and economic status of women in the developing world;

3. Under globalization, infant, child and maternal mortality has decreased and life expectancy has increased in a number of D-8 countries due to production and availability of quality public health services;
4. Increased international competition has compelled producers to use advance technology rapidly which helps acceleration of technological improvement and productivity of growth;
5. Assists in transferring, sharing and adaptation of appropriate technologies/know-how related to Rural Development specially in agricultural field;
6. Increased food production helps in attaining self-sufficiency in food grain;
7. Creates opportunities of disseminating D-8 country's successful models of Rural Development to other countries;
8. Facilitates access of agricultural commodities and manufacturing goods to world market;
9. Increases job opportunities in the international markets.
10. Improves access to Information and Communication Technology (ICT);
11. Expands trade and increases tradable goods;
12. Increases avenues of income from non-farm sources;
13. Global assistance and cooperation help increasing health and nutritional status;
14. Globalization offers opportunities to explore and use natural and mineral resources.

**C. Recommendations :**

- 1) The D-8 member countries can take initiative to create a common fund for Agricultural Development, Disaster Management, Women Development and other related issues;
- 2) To establish a full fledged D-8 Secretariat, Joint Economic Commission, University/Centre/ Institute for administering all sort of affairs including administrative as well as academic to help the member countries.
- 3) Any positive impacts of liberalization to favor agriculture in developing countries tend to be offset by biases in technological progress occurring in the developed countries. Therefore, efforts should be made among D-8 countries to take measures for sharing advanced technological know-how to reap the benefits of technological progress;

- 4) In the long run, poor small-scale farmers are unlikely to be able to respond to growing international competition and agricultural commercialization. D-8 member countries can initiate common agricultural policy to meet the challenges of small scale farmers ahead. To strengthen relationship among the D-8 member countries it is necessary to undertake training & research programmes related to crops, livestock, poultry and fisheries. A programme for exchange of views, ideas among the member countries can also be organized;
- 5) More involvement of women in different sectors of agriculture including post harvest activities may be encouraged;
- 6) Steps to be taken to prevent illegal trafficking of women and children. For this creating of awareness among the members of D-8 countries is required;
- 7) Access to subsidy, goods and services in the D-8 member countries may be encouraged;
- 8) To cancel immediately the obligation of accepting the minimum importation of 5% of domestic consumption, all compulsory market access clauses must be cancelled;
- 9) To rationalize all negotiations in the areas of food production and marketing relating to the WTO and all regional and bilateral agreements;
- 10) To establish a Standard Food Quality Criteria for tapping the world markets necessary legal measures should be undertaken among the D-8 countries;
- 11) A mechanism needs to be developed for use of remittances earned by the D-8 member countries in the productive purposes;
- 12) A data base on Rural Development is needed to be created in the D-8 Secretariat which would be accessible through website;
- 13) To prepare a Directory of Rural Development (RD) Experts, Research and Training Institutes of the D-8 countries held to foster better cooperation in human resource development;
- 14) Cooperation in export and import trade among D-8 member countries should be strengthened through identifying potentials commodities of these countries in consideration of their Comparative Advantages. *(As for example, cotton of Pakistan and Egypt can be exported to other D-8 countries for producing quality products like clothes, fabrics etc. Bangladesh Garment Industry could be immensely benefited through exporting garment products in D-8 member countries on demand basis. As a result, backward and forward linkages could be established for better employment and supply of raw materials as well as marketing for the garment industries).*

Conversely, out migration of skilled and semi skilled labour forces of D-8 member countries could be employed on the priority basis for the oil industries of Iran and Nigeria.

Bangladesh could get a wider market through exporting vegetables, frozen foods, leather products, tea and other consumable goods within the D-8 countries which added additional values to the country's Gross National Products (GNPs).

- 15) Sharing of experiences of Poverty Reduction Strategies of different D-8 member countries particularly in Micro Credit led IGAs, Entrepreneurship Development etc. can be adopted to achieve MDGs:
- 16) Specific measures and congenial environment should be developed to prevent large scale brain drain of D-8 member countries to developed countries and use this resource population for the betterment of their own countries. D-8 member countries can help each other in formulating and adopting practical measures in this regard; and
- 17) Seminar, workshop and training should be organized on regular basis with the initiatives of D-8 groups and all cost of seminar, workshop and training including airfare of participants and resource persons (if any) should be shared by D-8 member countries. D-8 Secretariat should prepare and implement annual programme containing specific date of conduction of seminar, workshop and training mentioning host country's name.

## CHAPTER-IV

### Concluding Session

The concluding session of the “International Workshop on Emerging Threats and Opportunities of Globalization for Rural Development: Defining the D-8 Future Rural Development Agenda” was held at the Dr. Abdul Mueed Conference Hall of the Academy on 28 June 2007 at 11 a.m. The session was presided over by Mr. Mf. Qamrul Islam, Director General, Bangladesh Academy for Rural Development (BARD). Distinguished participants, one from each country delivered speech at the concluding session. Director (Training), BARD and Workshop Director delivered speech. Summary of speeches of the inaugural session given below:

#### Speech by the Participants:

- a) On behalf of the participants, Prof. Ashraf Ragab El-Ghannam, Agricultural Extension & Rural Development Research Institute, Agricultural Research Centre, Egypt expressed his gratitude for organizing such an effective workshop. He mentioned that he enjoyed the workshop as well as stay at BARD for five days. He proposed to undertake a study on globalization by joint efforts of Bangladesh and Egypt. He also requested anyone of the participants on behalf of the D-8 countries to volunteer as a contact person for sharing information, knowledge and latest development of D-8 forum. Finally, he thanked organizers, host country and all other supporting staffs for organizing the workshop.
- b) Dr. Ranjit Chandra Adhikary, Additional Director, RDA, Bogra, Bangladesh expressed his gratitude and satisfaction for wonderful hospitality and ideal environment of the Academy. He conveyed his thanks to BARD faculty and administration. He mentioned that he learnt a lot from the keynote paper and its discussion. He shared a lot of experiences on globalization and its threats and opportunities in D-8 Countries. He mentioned that the participants of workshop formulated some recommendations based on threats and opportunities they identified for defining the future agenda of rural development in D-8 countries. He hoped that those recommendations would take place in action. Finally he thanked the organizing authority of the workshop to take such effort and organized a successful workshop.

#### Speech by the Workshop Director:

Dr. Kamrul Ahsan, Workshop Director and Director (In charge), BARD delivered his speech. He acknowledged the contribution of the participants in the workshop to make it successful. He described the overall workshop activities including country paper presentation, group work, field visit, colorful international cultural night etc. He expressed his gratitude to the Chairperson and to the Ministry of Foreign Affairs for their continuous support. The full text annexed as Annexure-IV.

### **Speech by the Director (Training):**

Mr. Mohammad Mir Kashem, Director (Training), BARD delivered the speech. He expressed thanks to the Workshop Coordination to take such effort and for accomplishment of a successful workshop. He conveyed his gratitude to the Director General of BARD for continuous support. He thanked all participants for their contribution. The detailed speech is given in the Annexure-IV.

### **Final Rapporteur Report Presentation:**

The Rapporteur's report of the workshop was presented by Mr. Abul Kalam Azad, Joint Director, BARD. During the workshop through discussion and group work the distinguished participants identified some threats and opportunities of globalization in the D-8 countries and generated some significant recommendations, which could help the policy makers to formulate policy guidelines to take the advantages of globalization in D-8 countries. All these threats and opportunities and final recommendation and also the comments and discussion on keynote paper were accumulated in the report and presented.

### **Speech by the Chairperson and Formal Concluding of the Workshop:**

Chairperson of the concluding session Mr. Md. Qamrul Islam, Director General, BARD delivered the speech. At the outset of his speech he expressed his great pleasure for successful completion of the five- day workshop. The seminar has come up with new ideas and from recommendations of the seminar the policy makers of the D-8 countries will be benefited. He stressed the need for implementing the recommendations in the concerning countries. He emphasized on regional cooperation and partnership among D-8 countries. He appreciated the role of the Secretary, Rural Development and Cooperative Division, Mr. Muhammad Nazrul Islam, who was always very supportive for this seminar. He thanked Ministry of Foreign Affairs for their sincere cooperation in bringing the seminar to a success. The detailed speech attached as Annexure-IV.

# **First meeting of Directors General of Civil Aviation**



**REPORT OF THE MEETING  
OF D-8 DIRECTORS GENERAL OF CIVIL AVIATION  
ANTALYA, TURKEY, 27-29 JUNE 2007**

1. The Directorate General of Civil Aviation of the Republic of Turkey hosted the First Meeting of D-8 Directors General of Civil Aviation in Antalya on 27-29 June 2007. The Meeting was attended by delegates from the People's Republic of Bangladesh (Deputy DG, DGCA), the Arab Republic of Egypt (Advisor to DG, DGCA), the Republic of Indonesia (Director General, DGCA), the Islamic Republic of Iran (Vice Minister of Road Transportation, President of CAO), Malaysia (Deputy DG, DGCA), the Federal Republic of Nigeria (Director General, DGCA) and the Republic of Turkey (Director General, DGCA). The delegation of the Islamic Republic of Pakistan was not present. Also in attendance the Secretary General of D-8. The full list of the delegations is attached as Annex I.
2. The Meeting aimed at exploring cooperation on civil aviation and national carriers of D-8 countries as mandated by the tenth Session of the Council Ministers of Foreign Affairs in New York on September 2006. The programme of the meeting is attached in Annex II.
3. The Meeting was chaired by Dr. Ali Arıduru, the Director General of Civil Aviation (DGCA) of Turkey. In his welcoming remarks, Dr. Arıduru stated the needs for D-8 to have close cooperation not only among the governments but also among the private sectors. He further stated that flight safety and security become an issue of critical importance to civil aviations of D-8 countries and therefore need to be addressed in order to face the challenges posed by regional and global trends. He underlined the importance of the possible cooperations specifically on the maintenance, training, terminal and airport operations, ground handling and other related issues between the D8 countries, which should be established on a permanent and sustainable manner.
4. The Secretary General, in his statement, briefed the delegates on the background of the D-8 civil aviation meeting. He also informed the meeting of various initiatives that have been carried out by the D-8 in order to pursue its goals, namely, to increase D-8 intra trade. He expressed his hopes that the meeting will be able to produce a Terms of Reference (TOR), formulate an Action Plan, and establish a Working Group for D-8 Civil Aviation Cooperation. At the end of his speech, the Secretary General proposed kindly that Turkey be the Country Coordinator of civil aviation cooperation, and accordingly DGCA of Turkey to chair D-8 Working Group on Civil Aviation for two-years term from 2007-2009.
5. During the meeting, delegates made presentations on the latest development of civil aviation industry of respective countries, including regulations and policy designed to maintain and strengthen flight safety, security, service and compliance. Some Turkish private companies also made presentations on various aspects of civil aviation activities such as maintenance, airport and terminal operations, flight and technical training activities. Following the presentations, participants had raised questions which could contribute to the establishment of D-8 civil aviation cooperation.
6. The Meeting exchanged views on various issues such as flight safety and security, low cost carriers, training programs related to civil aviation, airport and terminal building and maintenance, access to air transportation market, the role of D-8 air transportation in relation with tourists' visit and hajj activities, trade exhibition, financing of activities, and the

establishment of a Working Group on Civil Aviation Cooperation, as the mechanism of Cooperation in the field of air transport.

7. After extensive discussions among delegates on how to establish D-8 cooperation in the field of air transport, the Meeting agreed to further study the draft Memorandum of Understanding (MOU) as well as the Terms of Reference (TOR) of the Working Group proposed by Turkey. It was also agreed that members of D-8 should convey their comments on the drafts to the Secretariat of the D-8 before the next meeting of the Directors General of Civil Aviation in 2007. The drafts of the MOU and TOR are attached in Annex III.
8. The Meeting took note of the readiness of Iran to hold the next meeting of the Directors General of Civil Aviation of D-8 in 2007. Iran will communicate the proposed date (during 1<sup>st</sup> half of September 2007) and venue of the meeting to all D-8 members countries through the Secretariat of D-8. Considering the importance of the next meeting in laying down the foundation of D-8 cooperation in the field of air transport, member countries were urged to fully participate and send their delegation at the Director General level.
9. At the end of the meeting, the Minister of Transportation of Turkey, accompanied by his Undersecretary and Deputy Undersecretary for Aviation, attended the meeting and saw the discussion among delegates and the presenters.
10. The Delegations expressed their appreciation to the Government of Turkey for the warm hospitality and the excellent arrangement made for the successful meeting.

## LIST OF PARTICIPANTS TO D-8 MEETING

- |                                    |   |
|------------------------------------|---|
| 1) Dr. Ali ARIDURU                 | General Director/DGCA TURKEY  |
| 2) Mr. Haydar YALÇIN               | Deputy Director General/DGCA TURKEY   |
| 3) Mr. Dipo ALAM                   | Secretary General/ D-8  |
| 4) Mr. Budhi M. Suyitno            | Director General of Civil Aviation,<br>Department of Transportation (Head of<br>Delegation) INDONESIA |
| 5) Mr. Tri Sunoko                  | Director of Air Transport, Department of<br>Transportation INDONESIA                                  |
| 6) Mr. Rudi Richardo               | Head of Legal Aid Division, Department of<br>Transportation INDONESIA                                 |
| 7) Mr. Ronald MANİK                | Deputy Director for Socio-Cultural Affairs,<br>Department of Foreign Affairs-<br>INDONESIA            |
| 8) Mr. Ahmad Fauzi Bin Abdul JAMAL | Deputy General Director, MALAYSIA   |
| 9) Ms. Rohani Mohd YUSOF           | Assistant to General Director, MALASIA  |
| 10) Hossem KHANLARI                | Vice President, IRAN  |
| 11) Alreza MANZARI                 | Advisor, IRAN   |
| 12) Shahe ALAM                     | Deputy General Director, BANGLADESH   |
| 13) Ateff Safa BARAKAT             | Advisor/EGYPT   |
| 14) Ahmed Essam                    | Air Traffic Director /EGYPT   |
| 15) Dr. Harold DEMUREN             | General Director /NIGERIA   |
| 16) Adesoji AKEEM                  | Advidor/NIGERIA   |

## **Memorandum of Understanding (MoU) for the Establishment of D-8 Working Group on the Co-operation in Civil Aviation**

*Whereas* the Convention on International Civil Aviation and its Annexes provide the essential framework required to meet the international needs of a global aviation system;

*Whereas* each party has full and exclusive sovereignty in the air space over its land and territorial waters;

*Whereas* the Member States being Parties to the Convention on International Civil Aviation Organization (ICAO) and guided by its principles;

*Whereas* the Member States have a responsibility for compliance with international civil aviation standards;

*Recognizing* that the safety and security framework must be fully utilized by all stakeholders and continuously evolve to ensure its sustained effectiveness in the changing regulatory, economic and technical environment of the 21st century;

*Recognizing* that safety and security are shared responsibilities and advancements in global level can only be possible through a co-operative, collaborative and co-coordinated effort among all stakeholders;

*Recognising* the need that activities on air transport between D8 States should be co-ordinated to the maximum possible extent for safe, secure, smooth and proper functioning of civil aviation;

*Recognizing* that further improvements in aviation safety and security within and among D8 States require a co-operative and pro-active approach in which risks are identified and managed;

*Recognizing* that air transport has an important role in global, regional and national economic development;

*Recognizing* that the sustainable development of air transport today can only be achieved with governmental support, the Civil Aviation Authorities, with their international experience, shall expedite the realization of close contacts to improve the regulatory framework in the field of civil aviation.

*Recognizing* the potential of development in international and regional air traffic;

*Recalling* that regional, inter-regional and global co-operation could be used as important tools in addressing air transport problems, and in finding solutions to them;

*Recognizing* that the safety of air passengers may be achieved only through compliance with uniform flight and air control regulations, and standard implementations;

**The D8 Member States (hereafter referred to as “Parties) have concluded this Memorandum of Understanding (MOU):**

#### **ARTICLE 1**

The Parties agree to establish a co-operation and co-ordination mechanism in the field of Air Transport with the name “*D8 Countries Civil Aviation Co-operation*”

#### **ARTICLE 2**

The purpose of establishing this co-operation is to enable the Parties to co-operate and co-ordinate amongst themselves as well as with ICAO and other related regional organisations and international institutions, and the industry, on all matters including financial ones.

#### **ARTICLE 3**

The overall objective of this co-operation is to enhance the collective capacity and general performance of the air transport industry in the area covered by this Memorandum of Understanding.

The aim is to harmoniously and in synergy improve safety levels, capacity and cost efficiency of air transport activities whilst paying due attention to the national safety and security requirements and the protection of the environment.

The Parties shall try to adopt a common approach in respect of access to air transportation market for addressing and then solving the problems between Member States.

#### **ARTICLE 4**

The actions taken to achieve the overall objective mentioned in Article 3, should take into account the relevant plans/programmes implemented by ICAO and/or other related regional organisations as well as the particular concerns and requirements of the Parties and the needs of the stakeholders in the Air Transport industry.

In order to ensure smooth functioning of their civil aviation systems, the Parties shall use economic regulation mechanisms prevailing in their countries and apply the principle of supremacy, which provides for the full respect of all existing rights of each Party concerned, as long as it does not prevent fair competition in the air transportation market.

The Parties shall collectively strive to protect the environment from unfavourable factors resulting from the functioning of civil aviation.

#### **ARTICLE 5**

The Parties will undertake co-operation and co-ordination in the following areas:

- Safety,
- Security,
- Rulemaking activities and legal issues,
- Oversight capabilities of Each State,
- Certification and licensing,
- Training activities,
- Maintenance related tasks,
- Navigational services and ATM issues,

- Exchanging of experts and legislative activities on all possible areas,
- Air Transportation
- Other possible areas.
- Leasing and other commercial issues,
- Airport infrastructures, terminal and ground handling issues.

The Parties shall participate in the international air transport activities in line with their own national interests as well as the interests of all Parties concerned.

The Parties shall take active measures to expedite adaptation of their air transport to international air transportation system and to arrange in this respect necessary training, especially in the field of different aviation fields including commercial, legal and ATM issues.

Each Party will give its priorities and best efforts to the capabilities of the other Parties to solve its problems.

#### **ARTICLE 6**

The specific tasks to be achieved and actions to be carried out within each of the areas of Article 5 shall be defined and agreed upon by the Working Group, on the basis of a framework plan.

#### **ARTICLE 7**

The framework plan shall be reviewed annually to take into consideration regional and/or national developments and expand the number and scope of these tasks as required.

#### **ARTICLE 8**

In order to achieve the required objectives, the Mechanism shall establish itself in a permanent body consisting of the following organs:

- a) A Working Group: consisting of the Directors General of Civil Aviation or the Directors of Civil Aviation Authorities responsible for regulatory and oversight issues (pending on the national organisation),
- b) A number of Task Forces, as required, in order dealing with the areas mentioned in Article 5 to create programs for specific activities.

#### **ARTICLE 9**

The Terms of Reference and duties of the Working Group are stipulated in Annex 1, which constitutes an integral part of this Memorandum of Understanding.

#### **ARTICLE 10**

Should any doubt or diverging views arise regarding the interpretation of any provision of the present Memorandum of Understanding or in case of dispute regarding its application, the Parties shall endeavour to reach a solution acceptable to them. Should no agreement be reached, each of the Parties shall refer to the Working Group, to which the dispute shall be submitted for settlement.

## **ARTICLE 11**

The revision of the present Memorandum of Understanding, including its Annex(es), requires the mutual consent of all Signatory Parties.

## **ARTICLE 12**

Cancellation of the present Memorandum of Understanding by mutual agreement of all Signatory Parties may take place at any time.

## **ARTICLE 13**

Any Party wishing to withdraw its participation from this Memorandum of Understanding may do so by giving a six months notice to the Working Group.

## **ARTICLE 14**

This Memorandum of Understanding is open for signature to additional States wishing to participate in the Mechanism's activities after their application had been considered and approved by the Working Group.

## **ARTICLE 15**

This Memorandum of Understanding becomes effective on the date of its signature.

## **ARTICLE 16**

The working language shall be English.

Signed in Antalya-Turkey on 28 June 2007 in eight (8) original copies.

**People's Rep. of Bangladesh**

**Arab Republic of EGYPT**

**Rep. of INDONESIA**

Director General, DGCA

Director General, DGCA

**Budhi SUYITNO**  
Director General, DGCA

**Islamic Republic of IRAN**

**MALAYSIA**

**Federal Rep. of**

**NIGERIA**

**Hossein KHANLARI**  
President of CAO

Director General DGCA

**Dr. Harold DEMUREN**  
Director General, DGCA

**Islamic Republic of**  
**PAKISTAN**

**Republic of TURKEY**

**Dr. Ali ARIDURU**  
Director General, DGCA

Director General DGCA



## TERMS OF REFERENCE OF THE D-8 WORKING GROUP ON CIVIL AVIATION

### Article 1 – Composition

The Working Group (WG) will be consisting of (pending on the national organisation):

- the Directors General of Civil Aviation, or
- the Directors of Civil Aviation Authorities responsible for safety and other regulatory aspects,

The duties and working of the Working Group are stipulated below:

### Article 2 – Decisions

The Working Group is the sole decision body of this co-operation mechanism. Decisions are valid only when unanimity is reached amongst the Signatory Parties of the Memorandum of Understanding.

### Article 3 – Venues and Frequencies of the Working Group Meetings

The meeting will be held every six month's periods.

**Note:** The Working Group meetings will be hosted by Parties in alphabetical order. A Party may ask for exclusion and pass their term to the following Party.

### Article 4 – Presidency

The Working Group will elect its Chairman during its first meeting for the period of two years. The Party that hosts the first meeting holds the Chairmanship for the first meeting.

### Article 5 – Task Forces

The Task Forces are created to assist the Working Group by working on defined subjects requiring detailed technical expertise. A Task Forces will be activated when it has been clearly established that it is able to make a substantial contribution to the required work.

The Working Group may decide to activate the Task Forces on the following areas:

1. **Safety,**
2. **Security,**
3. **Rulemaking activities and legal Issues,**
4. **Air Navigation Services & ATM Issues,**
5. **Commercial Issues** (like Maintenance, Certification and licensing issues, Training in all aviation fields, Airport and terminal infrastructure and ground handling, and Leasing and other issues),
6. **Other Possible Areas.**

The members of the working groups are appointed by each Party. Each working group will be chaired by a Chairman to be elected by using a voting system.

The Working Group approves the terms of reference of the working groups, the scope of the work, the deliveries and the dates for completion. The working groups should establish their own internal working arrangements, the working programme and venues, in observance with the mandate given by the Working Group.

Each working group may decide to create task forces for specific activities.

#### **Article 6 – Financial Consideration**

Each Party will bear its own costs related to meetings participation and activities. (It will be looked for additional financial supports from international organisations.)

#### **Article 7 – Secretarial and Administrative Support**

To be decided by the Working Group, as necessary.

#### **Article 8 – Revisions**

The revision of the present Annex requires the mutual consent of the Signatory Parties.

#### **Article 9 – Language**

The working language of the Working Group, working groups and task forces shall be English.

**- END -**

# **Second meeting of Directors General of Civil Aviation**

In the Name of God

The Final Report of the Second Meeting of Directors General of Civil Aviation Authorities

ISFAHAN- ISLAMIC REPUBLIC OF IRAN

8- 10 SEP 2007

The Vice Minister and President of Civil Aviation Organization of the I.R of Iran hosted the second meeting of D-8 Directors General of Civil Aviation in Isfahan on 08-10 Sep 2007. The esteemed delegates from the Republic of Turkey, the Republic of Indonesia, Malaysia, the Islamic Republic of Pakistan and Federal Republic of Nigeria attend the meeting, as depicted in Annex 1 under the list of participants.

The meeting was chaired by Capt. Khanlari, the Vice Minister of Road and Transportation and President of Civil Aviation Organization of the Islamic Republic of Iran. In his welcome speech, Capt. Khanlari requested the esteemed delegates to have close cooperation and great effort to achieve a common dialogue in the field of safety and security and reemphasized the implementation of the first DGCA Meeting outcomes.

The Secretary General, Mr. Dipo Alam, in his speech briefed the esteemed participants on the history and background of the D-8, elaborated the required facilitation on tourism and international trade, and reviewed the results of the last meeting on security and sought the assistance of the participants to work closely and finalize the draft of MOU for the signature of the members.

The distinguished delegates of Pakistan, Malaysia and Nigeria made audio-visual presentations on their own civil aviation organization activities and their latest progress in different scopes of air industry.

Based on the program of the meeting, the distinguished delegates had an official half a day visit from the HESA Civil Aircraft Manufacturing Company.

The draft of MOU For The Establishment Of D- 8 Member States' Working Group For Co-Operation In Civil Aviation prepared in the last meeting in Antalya, 27-29 Jun 2007 was put on the table for final reviewing by distinguished delegates and making any last necessary amendments. In the last session of the meeting, the final draft of MOU was signed by Secretary General of D-8 secretariat and the attending DGCA of the Republic of Turkey, the Republic of Indonesia and President of Civil Aviation Organization of the Islamic Republic of Iran. The MOU was left open for the signature of the other Members The Republic of Turkey was appointed to be the Chairman of the D-8 Working Group for two years. It was decided that the third session of the D-8 working group to be held in Istanbul.

At the end of the meeting the capabilities of the member States in the air industry was reminded to distinguished delegates by the Secretary General and insisted that the relevant data should be exchanged between the States in order to take necessary measures on the needs of each party. Each delegates, in turn, expressed their gratitude to the president of Civil Aviation Organization of Islamic Republic of Iran for the kind hospitality and considerable arrangements made for the meeting.

# **Financial Infrastructure Development among D-8 Countries & Takaful**

## 1<sup>st</sup> Meeting on Financial Infrastructure Development Among the D-8 Countries

### Recommendations for D8 meeting CAIRO , 26/11/2007

- 1) Every country in D 8 group should add link to the D8 website. ([www.developing8.org](http://www.developing8.org)).
- 2) Enhancing cooperation between D8 members regarding capacities building and exchanging of experiences through availing specialized training programs in all aspects related to takaful.
- 3) Avail all seminars papers, articles , researches in the field of takaful on the web page for the benefit of all users of D8 group members.
- 4) Maximize the use of our available insurance educational institutes in D8 countries through exchanging of yearly training plan.
- 5) Raising the number of actuaries though D8 group facilities.
- 6) Hold a special meeting concentrating on the topic of "The development of takaful products".
- 7) Achieving communication channel for cooperation between counterparts in the D8 countries to exchange their experiences.
- 8) Desiging a free of charge training program for D8 member countries.
- 9) Encourage D8 member to participate in the "GTG" Global Takaful Group association to enhance cooperation .
- 10 ) Encourage out sourcing between D8 countries taking into consideration the cost and benefits from one side and the regulatory framework on the other side.
- 11) Encouraging the governments of D8 countries to reduce tariff of investment instruments like ( soukouk ) bonds .
- 12) We should develop the takaful terminology between the D8 countries.
- 13) Prepare an action plan or road map for facilitating the cooperation in development of takaful and retakaful business .
- 14) Encouraging D8 countries representatives to attend the next annual conference in April 2008 in Malaysia .
- 15) Encouraging member states for meetings where ever occasion of D8 program or takafual and retakaful program is held.
- 16) Encouraging Micro – Takaful through sharing the Malaysian experience on this regard.

**Ninth meeting of High Level Trade Officials  
(HLTO)**

## **Report of the Ninth Meeting of High Level Trade Officials (HLTO) of D-8 Countries**

**(27-28 March 2008, Islamabad, Pakistan)**

20. The Government of the Islamic Republic of Pakistan hosted the 9th Meeting of High Level Trade Officials (HLTO) of the D-8 Countries in Islamabad, on 27-28 March 2008. The delegations from all Member States attended the meeting. The list of participants is at Annex I.
21. The Meeting was inaugurated by Syed Asif Shah, Secretary, Ministry of Commerce, Pakistan. In his opening address he welcomed H.E Dr Dipo Alam, Secretary General of D-8 and the other delegates. He urged the members to show flexibility and move ahead with consensus. He mentioned the aspirations of the D-8 leaders contained in the Bali Declaration whereby they resolved to increase economic integration and promote trade. The successful conclusion of these negotiations, he emphasised, would be instrumental in realising the vision of the D-8 leaders. The text of the address is at Annex II.
22. The Secretary General D-8 in his address appreciated the work done by the HLTO for reaching consensus on all major issues of the D-8 PTA. He urged all the member countries to conclude the Rules of Origin to operationalize the PTA at the earliest. The text of his speech is at Annex-III.
23. The Member countries elected Mr. Shahid Bashir, Senior Joint Secretary, Ministry of Commerce, Government of Pakistan, as Chairman of the meeting.
24. The agenda of the meeting (Annex IV) was adopted unanimously.
25. The threshold of local value addition (Rule 4) was discussed at length by the members. All the members, except Egypt and Bangladesh, agreed to 40% criteria for local value addition. Egypt informed the meeting that any value addition criteria below 50% was not acceptable to them. On the other hand, Bangladesh proposed special and differential treatment for the Least Developed Countries (LDC) in complying with the local value addition content. In this regard, Bangladesh reiterated its earlier position i.e., 30% local value addition content for conferring origin to products from LDCs. The other members were of the view that differential and special treatment was already available for the LDCs under the PTA Agreement where they have eight years to reduce tariff as compared to four years for other members states. The majority of the members were of the view that the General Rule for conferring origin to Not Wholly Obtained Goods



should be based on a single value addition criteria. Accepting multiple criteria for different members would not only be difficult to implement but also cause discrimination against other members. The Members urged Egypt and Bangladesh to show flexibility, move ahead with majority consensus and finalize the text. It was agreed that the members would finalize the text and Egypt and Bangladesh were welcome to join as and when they are ready to adopt the agreed text.

26. Egypt and Turkey insisted to keep the Egyptian proposal regarding the article of Prohibition of drawback which was proposed since the Seventh Meeting. However, this proposal was not accepted by the majority of the members.
27. The Meeting considered the outstanding issues on the Draft text of the Rules of Origin along with the amendments proposed by other members. The final version of text of the Rules of Origin is at Annex V. Members to communicate editorial changes (if any) electronically to the Secretariat by end April 2008.
28. The meeting agreed to adopt the Operational Certification Procedure for the OIC TPS *mutatis mutandis* for the D-8 PTA. The text of the OCP would be finalized in the next meeting of HLTO.
29. It was agreed that the members would submit their Offer List for D-8 PTA by 30 April, 2008 to the D-8 Secretariat through the diplomatic channels.
30. The next meeting of HLTO will be held before the D-8 Summit in Malaysia. The time and venue will be coordinated by the D-8 Secretariat subsequently.

## **Expert meeting on Roadmap and Statutory Documents**

**RECORD OF  
THE FIRST D-8 EXPERT MEETING ON THE ROADMAP AND STATUTORY  
DOCUMENTS FOR PERMANENT D-8 SECRETARIAT  
BANGKA BELITUNG PROVINCE, INDONESIA  
31 MARCH-1 APRIL 2008**

1. As a follow-up to the 24<sup>th</sup> Session of D-8 Commission in Yogyakarta on 22-23 November 2007, the Government of the Republic of Indonesia hosted the D-8 Expert Meeting on D-8 Roadmap 2008-2018 and Statutory Documents for Permanent D-8 Secretariat in Sungai Liat, Bangka Belitung Province, on 31 March-1 April 2008. The Meeting was chaired by Mr. Sunu M. Soemarno, the Director of the Socio-Cultural Affairs and the International Organization of Developing Countries, Department of Foreign Affairs of the Republic of Indonesia, and attended by delegations from seven member countries namely, 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 and the Republic of Turkey. Also in attendance was the Secretary General of the D-8, Dr. Dipo Alam. The list of delegations is attached as Annex I.
2. The Vice-Governor of the Bangka Belitung Province, Mr. Syamsuddin Basari, and the Secretary of the Directorate General for the Multilateral Affairs of the Department of Foreign Affairs of the Republic of Indonesia, Mr. Budi Bowoleksono, delivered their welcoming speech and opening remarks respectively. Mr. Basari, in his opening speech, expressed gratitude to all delegations of the D-8, in particular to the Department of Foreign Affairs of the Republic of Indonesia, for having conducted this international meeting in Bangka Belitung. He also introduced the history of this newly-born Province and invited all delegations to visit the tourist sites in the Province. Mr. Bowoleksono, on behalf of the D-8 Indonesian Commissioner, underlined the need for the Expert Meeting to have fruitful deliberation on the two documents as in the agenda, i.e., the draft of D-8 Roadmap 2008-2018 and the draft Statutory Documents for Permanent D-8 Secretariat. He also hoped that the two documents could be ready for endorsement in the 6<sup>th</sup> Summit of D-8 in Malaysia in July 2008. The full text of his statement is attached as Annex II.
3. In commencing the substantive session, Mr. Sunu M. Soemarno suggested that the Roadmap should be a streamlined one, with a more limited set of priorities. Such a Roadmap would be more feasible for its goals and objectives to be attained, and should be easier to command sustained commitment of member countries. He also hoped for the Expert Meeting to be able to agree on the Statutory Document for Permanent D-8 Secretariat, in which case the Meeting would be able to substantiate the Summit in Malaysia with adoption of the two documents.
4. The Meeting adopted the Provisional Agenda, as attached in Annex III.
5. The Secretary-General presented his remarks on the progress achieved by the Secretariat since the 24<sup>th</sup> Session of the D-8 Commission meeting and on the rationale of the importance to finalize the D-8 Roadmap 2008-2018 and the draft Statutory Documents for Permanent D-8 Secretariat. He also underlined that intra-trade is the most promising of D-8 future cooperation. He added that it is highly necessary for the D-8 to have access to public grants and loans from other international organizations or donor countries. He also stressed the importance of a strong secretariat in order to pursue the objectives of the Roadmap and to develop cooperation with other international organizations. In conclusion, he expressed his hope for the Meeting to have a constructive discussion and a concise Roadmap of the D-8.
6. While there was a general agreement that the Roadmap should be short and concise, the Meeting was reminded that, in line with the decision of the 24<sup>th</sup> Session of the Commission, its mandate is to discuss the existing Roadmap document in its entirety, including the key programmes. The Meeting completed discussion of the D-8 Roadmap, which is the guideline for D-8 cooperation in

its Second-Decade, 2008-2018, in a collaborative spirit. The revised draft text of the Roadmap is attached as Annex IV.

7. Given that the Roadmap mandated the establishment of several new working groups, the Meeting exchanged views on the effectiveness of many working groups in implementing the programmes and projects of D-8. The Meeting deemed the working group on civil aviation as a model working group on account of its regular activity and results. It was also pointed out that the activity and sustainability of a working group depended on the sustained interest and commitment of the country that proposed or led the working group. The Meeting also reiterated that the Terms of Reference of a working group should be drafted by the proposing country.
8. The Meeting requested the Secretary-General to provide a list of all D-8 working groups and their respective status, to be attached to the Roadmap as an Annex.
9. With regard to the draft Statutory Documents for Permanent D-8 Secretariat, the Meeting agreed, in principle, with most contents of the document. Several delegations conveyed their views and suggestions on aspects of the Documents. On the issue of contribution, Egypt and Nigeria stated their preference that the scale of contribution was based on either the average per capita GDP or UN adjusted. Pakistan preferred UN adjusted. Malaysia, Indonesia, Turkey and Iran preferred equal contribution.
10. The Meeting heard the views, underlining that any proposals on contribution made by any member countries should take into consideration the conditions, needs and interests of the member country itself. Another suggested the adoption of an interim arrangement in case a settled formula could not be agreed upon by the time of the Summit, following the experiences of other groupings.
11. Due to time limitation, however, the Meeting decided to continue discussion on the document through email and, should the need arise, to hold another session of the Expert Meeting in Malaysia. In this regard, member countries are to submit their comments through email to the Secretariat who will then compile all the submissions, and incorporated them into the document. The resulting document, with each submissions put between brackets in the body of the text, would then be distributed to all member countries.
12. The Meeting agreed that written comments on the draft of the Statutory Documents should be submitted to the Secretariat within 2 (two) weeks from the end of the Meeting.
13. The Meeting was informed of the forthcoming activities of D-8 as follows:
  - a. The First Ministerial Meeting on Tourism to be held in Teheran on 12-15 May 2008;
  - b. The Fourth Meeting of D-8 Working Group on Industry in April 2008 in Indonesia;
  - c. The Third Meeting of Directors-General of Civil Aviation in June 2008 in Indonesia;
  - d. Roundtable Discussion on Care, Support and Treatment of HIV/AIDS in June 2008 in Bogor, Indonesia;
  - e. The 6<sup>th</sup> D-8 Summit in Malaysia on July 2008
14. The Meeting thanked the Government of the Republic of Indonesia for its warm hospitality extended to them and the excellent arrangements made for the meetings.

## **First Ministerial Meeting on Tourism**

*Tehran Declaration  
On Tourism Cooperation  
2008*

We, the Ministers of Tourism of the Member States of Developing Eight Organization of Economic Cooperation, having indepth and productive discussions, exchanging information and understanding in the meetings on D-8 tourism cooperation, on May 14-15, 2008, in Tehran, the Islamic Republic of Iran;

RECALLING the Bali Declaration signed by the Heads of States of D-8 Organization at the 5th Summit on May 13, 2006, also the decisions of Council of Ministers, taken in New York on October 1, 2006 and of the 24th session D-8 Commissioners Meeting, held on November 23, 2007;

BEARING IN MIND the United Nations Millennium Development Goals, strategic programs of United Nations World Tourism Organization and the Tourism Action Plan of Organization of the Islamic Conference which all D-8 countries are member of;

REITERATING the significance of tourism as a fastest growing industry among D-8 countries in the improvement of economic development and alleviation of poverty by creating job opportunities, building a better standard of life and enhancing understanding among cultures;

ENVISAGE the implementation of D-8 Preferential Trade Agreement, Custom Agreement.

REALIZING that D-8 cooperation programs and projects in tourism do not need unnecessary duplications with other international tourism organization program, instead need to have replication of the success practice and the implementation cooperation programs and projects to be broaden within D-8 countries;

RECALLING the necessity of implementation of D-8 Roadmap 2008-2018;

Hereby recognise that:

- 1 The need to have a clear plan to enhance tourism cooperation among member states.
- 2 Tourism development and activities in D-8 should be based on, inter alia, the socio-cultural values, the economic development and environmental requirements of member states.
- 3 To have complementary approach on tourism sector based on the potency of D-8 countries, regarding the diversification and improvement of tourism.
- 4 The need to enhance tourism joint actions on the areas of common interest among member states based on D-8 Declaration and D-8 road map including common marketing and packaging, shared tourism consortium, co-tourism, promotional facilities and etc.
- 5 The need for agreed D-8 Tourism Code of Ethics based on UNWTO Code of Ethics to govern tourism industry behaviour in a sustainable manner among member states.

- 6 To promote cooperation on the tourism advantage areas in D-8 such as Eco-tourism, Transit tourism, Health tourism, etc.
- 7 The need to involve all tourism industry stakeholders in planning and development process of tourism.
- 8 The importance and vital role of small and medium enterprises in sustainable tourism development and preserve cultural richness and protect environmental purity of destinations and economic viability of tourism plans and projects.
- 9 The need to create and increase public awareness and to facilitate dissemination of information on tourism attractions and facilities in D-8.

Agreed on:

- 1 To take necessary measures to increase total arrivals according to national plans of D-8 member states by 2018.
- 2 To study the feasibility of establishing a Tourism Fund within D-8 in cooperation with Islamic Development Bank and other national and international banks and funds to support tourism infrastructural development and business among member states. (Facilitator: Secretariat)
- 3 To facilitate a D-8 multi-stakeholders meeting on tourism from public and private sector as well as NGO's to convene D-8 Tourism General Conference right before next tourism ministerial meeting and propose items for further consideration of ministers.(Facilitator: )
- 4 To provide guidelines for supporting tourism private sector investment in D-8.
- 5 To encourage tour operators to create a D-8 mega-tour operator to enhance tourism exchange and facilitate service providing in D-8.( Facilitator: )
- 6 To create Tourism Clearing House Mechanism under tourism department of the secretariat to ensure D-8 countries to share tourism research, statistics, experiences and good practices and to inform all member states on the latest developments and national decisions and available potentials and opportunities in different aspects of tourism.( Facilitator: )
- 7 To take necessary measures and exchange experiences on establishing Tourism Satellite Accounts in D-8 in order to publish D-8 an yearly tourism report by tourism department of Secretariat. ( Facilitator: )
- 8 To improve the role and functions of SME's in tourism cooperation by providing more effective and diversified incentive schemes. ( Facilitator: )
- 9 To prepare the ground for broadcasting a weekly TV educational and awareness program within D-8 countries.(Facilitator: )
- 10 To study the feasibility of establishing a D-8 Tourism House in each country by secretariat.( Facilitator: )

- 11 To enhance cooperation among Ecotourism Tour Operators of member states. (Facilitator: )
- 12 Welcome the discussion on establishing the legal framework of the draft Convention on Nature-Based Tourism and develop cooperation on Ecotourism Development in the Selected Sites within the member countries.
- 13 Member states appreciate the initiative of Islamic Republic of Iran to convene International Tourism Investment Forum in October 2008, and international conference of tour operators in Tehran- Iran and to encourage the private sector to actively participate in these forums.
- 14 To recommend member states to establish frequent flights in order to increase exchanges of tourists among themselves.

Decided that:

- 1 To request the Head of States on the 6<sup>th</sup> D-8 Summit in Putra Jaya, Malaysia, on 7-8 July 2008, to endorse and support D-8 Tourism Cooperation Initiative and adopt the recommendations and decisions in the Tehran Declaration.
- 2 To establish a Working Group on Tourism to prepare 10 years action plan and D-8 Tourism Code of Ethics and other instruments envisaged in the present Declaration based on core D-8 documents to submit them to the meeting of the Commissioners/Ministers for their consideration.
- 3 To hold a D-8 Tourism Ministerial meeting every two years to follow up the implementation of D-8 Roadmap tourism section and D-8 Tourism Action Plan and to discuss and adopt relevant decision on the enhancement of tourism cooperation within D-8 and to convene Working Group of Tourism at least once per year to review, elaborate the achievements of D-8 in tourism area and to prepare relevant proposals for the consideration of ministerial meeting.
- 4 To establish tourism department in D-8 Secretariat to coordinate the tourism activities within the Group and to facilitate communication and exchange information on tourism and to call on 6th Summit to agree on a Tourism Expert for the Secretariat on Secondment basis.
- 5 To instruct tourism department in D-8 secretariat to cooperate with relevant international organizations, private sector, and NGO's to enhance their effective participation in sustainable tourism development in D-8.
- 6 To request Head of States to initiate necessary measures for facilitation visa procedures in conformity with national regulation.

Ministers and Heads of Delegations attending the First Ministerial Meeting on Tourism in Tehran expressed their heartfelt appreciation for the warm hospitality and excellent arrangement made by the Government of the Islamic Republic of Iran especially Vice President and President of the Iran Cultural Heritage, Handicrafts and Tourism Organization ,H.E. Esfandyar Rahim Mashae.



## **Fourth Working Group meeting on Energy**

## Report of the Fourth D-8 Working Group Meeting on Energy

Cairo, Egypt, 1-2 June 2008

15. The Government of The Arab Republic of Egypt hosted the Fourth D-8 Working Group Meeting on Energy in Cairo, Egypt on 1-2 June 2008. Seven D-8 member countries namely Bangladesh, Egypt, Indonesia, Malaysia, Nigeria, Pakistan and Turkey participated in the Meeting. Also in attendance was the D-8 Secretary General and a representative from Islamic Development Bank. The list of delegates and Agenda are attached as Annex I and Annex II.
16. At the Opening Session, Eng. Ahmed El Ashmawi on behalf of H.E. The Minister of Petroleum Eng. Sameh Fahmy, delivered his Welcoming Remarks. He stressed on the fact that the meeting was a reflection of a shared concern and commitment of D-8 member countries in addressing the booming energy crisis. The D-8 should be able to enhance cooperation in the field of energy, capacity building programmes as well as the best and viable financing mechanisms, in addition to the efficiency of energy sectors and sustainability of supply..he highlighted the fact that securing reliable and affordable energy will depend on adequate investments, estimated at about \$20 trillion over the next 25 years of which 50% is in developing countries.The full text of his Welcoming Remark is attached as Annex III.
17. The Meeting was then honored by Dr. Dipo Alam's, Secretary General of Developing Eight Organization for Economic Cooperation (D-8) speech. In his Opening Address, Dr. Dipo Alam highlighted that the D-8 Working Group on Energy should focus its work on renewable energy, suggest long term strategies, including sustainability of supply and prepare a RoadMap of cooperation for the next 10 years. He also expected the preparation of a strategic study and the continuous monitoring and analysis of the high oil prices both in short, medium and long-term. He also encouraged all delegates, representing member states to implement all the programmes and projects agreed upon from the previous recommendations including the 4th WG.The text of his Opening Address is attached as Annex IV.
18. The speech of the Egyptian Commissioner H.E Ambassador Ramzy Ezz El Din Ramzy, represented by the Second Secretary, Mr. Tarek Youssef followed. It underlined and stressed on all the important facts that were mentioned in the two previous speeches.He hoped that the members can come up with genuine recommendations that can be implemented in reality.
19. On the first working session, Indonesia presented a report reviewing the progress that has happened since the 3<sup>rd</sup> WG on Energy in Bogor, July 2006. The session then continued with each of the seven D-8 member countries presenting a country Energy Status Paper (Bangladesh, Egypt, Indonesia, Malaysia, Nigeria, Pakistan, and Turkey). The papers were mainly discussing the present energy situation, highly shadowed by the current energy crisis caused by the increasing

demand and the sky-rocketing prices of oil. The main concern was to come up with combined strategies so as to help governments lay down national policies that can properly solve such problem.

20. In the second working session, the representative of the Islamic Development Bank, Dr. Mohamed Suhail, from the Infrastructure and Finance Division, gave a brief overview on the IDB. It should be noted that all member countries of the D-8 are as well members of the IDB. He explained that the IDB's main objectives and roles are to foster socio-economic developments of the member countries as well as encouraging and promoting cooperation among the member countries. In conjunction with this meeting, the IDB informed that they are already financing energy projects inter alia public utilities and clean energy. The representative of the IDB welcomed cooperation among any D-8 member country and the IDB. Due to the limited amount of time, it was agreed that further communication on possible cooperation should continue through email.
21. On the second day of the meeting, the first session mainly discussed renewables and sustainable development. Each country presented briefly its experience. The establishment of D-8 flagship projects on renewable energy for rural electrification using wind, hydro and solar energy, for which Turkey will be the focal point of these projects. As a follow-up, Turkey invites member countries, especially their private sectors, to visit Turkey in the near future to discuss the cooperation mechanism for the project. Matters concerning viable methods for the possibility of financing the projects will be further explored by the D-8 Secretariat with other donor institutions.
22. All D-8 member countries are highly interested to develop renewable energy. Therefore to identify principle needs of member countries, there is an need to establish a task force for renewable energy. At this stage, this meeting is kindly requesting Egypt as D-8 Working Group on energy Secretariat to work on this matter.
23. Moreover the Egyptian delegation added that the renewable energy task force can contribute to facilitating capacity building, sharing experiences and lessons learned in renewable energy and energy efficiency among member countries. Areas of cooperation may include, but not limited to: Resource assessment, projects development and planning, Economical and financial issues, policies and regulations, R&D and finally Awareness and information dissemination.
24. The exploration of possible cooperation to develop direct uses of geothermal energy. To initiate this cooperation, Indonesia requests Turkey to conduct joint cooperation on this issue. For this purpose, Indonesia will send a delegation to Turkey for the action plan. Indonesia also invites other like-minded member countries to work together and join the efforts.

25. Responding to Bangladesh's request on the coal experience, Indonesia is willing to share its experience in the application of best mining practices including solving social problems related with the indigenous society around the mining areas.
26. Egypt, Indonesia and Malaysia have presented R&D and other efforts of developing bio-energy in their countries and their experience could be shared by other member states to avoid unnecessary duplication programmes.
27. At the closing ceremony, all delegates thanked the government of Egypt, especially the ministry of petroleum for well-organizing and hosting the meeting.

Recommendations:

1. As recommended and suggested by the D-8 heads of states, that D-8 should prepare to face the uncertainty of high oil prices, all delegates agreed that the WG on energy has to establish a center of strategic studies on energy policies. The center will be located and chaired by Egypt.
  2. in the next two years, Egypt will facilitate the WG on energy with a Secretariat, which functions to communicate, correspondence, monitor and evaluate all D-8 programmes and projects of cooperation on energy
  3. A business energy forum by inviting the participation of other major consuming and technology providing countries, will be established soon, having suggestions from the commissions of D-8.
  4. D-8 will establish soon a WG on mining and minerals. Indonesia is ready to host the first meeting of this WG.
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5. The recommendations of the 4<sup>th</sup> WG on energy will be reported by the Sec.gen. in the 6<sup>th</sup> summit on the 7-8 July 2008 in Malaysia for the endorsement of the commission, minister's and head of states to implement the programme and projects of cooperation on energy.
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**Roundtable Discussion on Care, Support and  
Treatment of HIV/AIDS**

REPORT OF  
ROUNDTABLE DISCUSSION ON CARE, SUPPORT AND TREATMENT OF HIV/AIDS IN  
DEVELOPING EIGHT COUNTRIES  
BOGOR, INDONESIA  
9 - 11 JUNE 2008

58. The Government of the Republic of Indonesia and the Indonesian Association of Physicians in AIDS Care (IAPAC) convened the Roundtable Discussion on Care, Support and Treatment of HIV/AIDS in Developing Eight Countries in Bogor, Indonesia from 9 – 11 June 2008. The meeting was agreed as one of D-8 calendar of events in the 24<sup>th</sup> Session of D-8 Commission in Yogyakarta, 22-23 November 2007. The meeting was attended by delegations from six D-8 member countries, namely Egypt, Indonesia, Iran, Malaysia, Nigeria and Turkey. The list of delegations is attached as **Annex I**
59. Chairman of the IAPAC, Prof. Samsuridjal Djauzi and Deputy Coordinating Minister of People's Welfare, Dr. Emil Agustiono delivered their welcoming speech and opening remark respectively. Prof. Samsuridjal underlined the modalities of D-8 Countries that enable them to forge cooperation in Care, Support and Treatment (CST) of HIV/AIDS and at the same time could initiate a broader cooperation in other health sector. Dr. Agustiono, on behalf of the Coordinating Minister of Peoples' Welfare presented his opening remarks that highlighted the needs of D-8 countries' joint efforts in the provision of Anti Retroviral (ARV) drugs, training, and exploring potential financial resources. The full text of their statements is attached as **Annex II and III**.
60. D-8 Commissioner of Indonesia, H.E Amb. Rezlan Ishar Jenie, in his keynote speech addressed the advantages, opportunities and challenges of D-8 cooperation. He emphasized the needs of having the same degree of political will among D-8 countries to overcome their challenges. Amb. Jenie also elaborated the achievements made by D-8 under Indonesian chairmanship. On the issue of HIV/AIDS, he stressed the importance of alliances between government sector together with non-governmental organizations (NGOs) and the private sectors to formulate concrete actions in providing affordable HIV/AIDS medication in D-8 countries. The full text of his keynote speech is attached as **Annex IV**.
61. In the Plenary Lecture session, four speakers presented their views on four different areas. Prof. Burhan Magenda (University of Indonesia) explored the advantage, opportunity and challenge of D-8; Dr. Zubairi Djoerban (University of Indonesia) shared his knowledge on WHO guideline on ARV in resource limited countries; Dr. Adi Sasongko (Kusuma Buana Foundation) described corporate involvement in limiting the spread of HIV/AIDS; and Ms. Lawan Sarovat (The Medical Adjoin Coordinator of Medicine Sans Frontier in Thailand) elaborated the importance of collaboration between civil societies, groups of interest, legal practitioners, scholars, pharmacist and other concerned parties to persuade government in providing affordable price of HIV/AIDS medication.
62. In the Group Discussion session, Dr. Mahiran Mustafa (one of the pioneers on Malaysia AIDS Society), Mr. Charmeida Tjokrosuwarno (Indonesia field representative of the Islamic Development Bank), Mr. Adi Nugroho (the representative from Indonesia's Government Pharmaceutical Company, Kimia Farma) and Ms. Shanti Sardi (the head of Indonesian Positive Women Society) shared their knowledge and expertise with all participants. First, Dr. Mahiran

delivered her presentation on ARV and Training. Second, Mr. Charmeida informed the forum of the intentions of Islamic Development Bank (IDB) to look for empowering role in addressing the issue of HIV/AIDS in developing countries. He further urged D-8 countries to prepare joint program on HIV/AIDS and submit the proposal to the IDB Secretariat. Third, Mr. Nugroho elaborated the opportunity of D-8 cooperation through the provision of ARV by developing government cooperation scheme. Finally, Ms. Sardi underlined the positive outcome of empowerment of People Living With HIV/AIDS (PLWHA) by giving a chance for low income HIV positive women to receive loans from her foundation.

In the Country Report Session, delegations exchange views on their countries experience and efforts to deal with HIV/AIDS. Delegations discussed and shared their views on the root cause of HIV/AIDS, provision of ARV drugs, Voluntary Counseling Testing (VCT) for all level of population, awareness building program, national strategic plans, funding, leadership, role of government, stigma and discrimination of the society towards PLWHA, condoms, screening of migrant workers, human resource, family support, training for paramedics to upscale the prevention, care, support and treatment of HIV/AIDS in Developing Eight Countries.

The meeting produced a final document in the form of recommendation of action plans. The recommendation of action plans The Roundtable Discussion on Care, Support and Treatment of HIV/AIDS in Developing Eight Countries, held in Bogor, Indonesia, from 9 to 11 June 2008 recommends the following action plans:

- a. Establishment of a Working Group on Prevention, Care, Support and Treatment of HIV/AIDS in Developing Eight Countries. The Working Group will be lead by a Coordinator, for a two year term. Malaysia will be the first coordinator of the Working Group starting from July 2008 to June 2010. Terms of Reference and Benchmark of the Working Group will be formulated by Indonesia, to be proposed to Malaysia and other D-8 member countries prior to the convening of the 6<sup>th</sup> D-8 Summit which will be held in Kuala Lumpur, 4-8 July 2008.
- b. Setting up of a D-8 Distance Learning Centre on HIV/AIDS aimed at improving the capacity of Health Practitioners of the Developing Eight Countries. Nigeria will be the host of this Distance Learning Centre for the term of two years starting from July 2008 to July 2010.
- c. Welcoming the International Conference of AIDS in the Asia Pacific (ICAAP) IX in Bali, Indonesia in 2009 and looking forward to the convening of a D-8 Satellite Meeting in Indonesia, back to back with ICAAP IX.

# **Third meeting of Directors General of Civil Aviation**



**REPORT  
OF THE THIRD D-8 WORKING GROUP ON CIVIL AVIATION  
AND DIRECTOR GENERALS' MEETING  
BALI, INDONESIA, 17-18 JUNE 2008**

1. The Director General of Civil Aviation of the Republic of Indonesia hosted the Third D-8 Working Group on Civil Aviation and Director Generals' Meeting in Bali, Indonesia, on 17-18 June 2008. The Meeting was attended by delegations from 7 (seven) Member Countries of D-8, namely, the People's Republic of Bangladesh, the Republic of Indonesia, the Islamic Republic of Iran, Malaysia, the Federal Republic of Nigeria, the Islamic Republic of Pakistan, and the Republic of Turkey. The delegation of the Arab Republic of Egypt was not present. Also in attendance was the Secretary-General of D-8, Dr. Dipo Alam. The full list of delegations was attached as **Annex I**.
2. In his welcoming remarks, Dr. Budhi M. Suyitno, the Director General of Civil Aviation of the Republic of Indonesia highlighted that this Meeting was essential to identify the potencies and challenges of Civil Aviation sectors amongst D-8 countries and the possibility of developing cooperation with private sectors. He viewed that there were at least three fields of cooperation in aviation industry to be developed amongst D-8 Countries, i.e., air navigation systems; aircraft maintenance; and airport infrastructure. He also informed the Meeting that Indonesia had already formulated a Strategic Plan on Civil Aviation called "Roadmap to Safety", covering three main elements, namely safety, security, and services through compliance, which would be implemented simultaneously and continuously. The text of his welcoming remarks is attached as **Annex II**.
3. The Meeting was presided over by the Chairman of the D-8 Working Group, Dr. Ali Ariduru. In his remarks, Dr. Ali Ariduru underlined that this Meeting was a forum to exchange views and best practices in Civil Aviation amongst the D-8 Countries. He believed that this Meeting was in line with the objective of the D-8 Cooperation, i.e., to increase economic and trade of the D-8 people. The text of his welcoming remarks is attached as **Annex III**.
4. The D-8 Secretary General, in his remarks, briefed the Meeting on the progress of D-8 Cooperation since it was first founded in 1997. He viewed that D-8 had opportunities to develop and reach the target of 15-20 % intra trade amongst the D-8 in the next ten years as D-8 countries are gifted with abundant resources. He hoped that this kind of Working Group in Civil Aviation could be followed by that of Sea transportation and would support the cooperation in the fields of tourism and other sectors. He also expected that this Meeting would result in a recommendation that would be proposed in the next Sixth Summit in Malaysia in July 2008. The text of his welcoming remarks is attached as **Annex IV**.
5. The Meeting was officially opened by the Minister of Transportation of the Republic of Indonesia, H.E. Mr. Jusman Syafii Djamal. In his Opening Remarks, Mr. Jusman acknowledged that it was imperative for D-8 to strengthen cooperation in the field of Civil Aviation as it would help to increase the economic and social conditions of the D-8 people. He also stated that D-8 cooperation in this field was in line with the Government of Indonesia's strong commitment to enhance the safety, security and services of the civil

aviation in order to meet the requirement set by the International standard. He expected that this Meeting would facilitate major improvements in the cooperation of aviation industry amongst D-8 countries that would be a path to achieve regional cooperation and harmonized development of civil aviation industry. The text of his Opening remarks is attached as Annex V.

6. In the First Session, delegations made their Country Report presentation. The country papers presented by the delegations contained the latest development in aviation industry of respective countries and the possible cooperation in civil aviation industry amongst D-8 countries. The Delegations shared their countries' national efforts to improve regulations and policy in civil aviation sectors, and to enhance aviation safety, security, service and compliance. They also briefed about their programmes of cooperation with regional and international organizations in Civil Aviation including International Civil Aviation Organization (ICAO) and International Air Transport Association (IATA). The full text of this presentation was attached as Annex VI.
7. In the Second Session, representatives of private sectors in airline industries from Indonesia (PT. Garuda Maintenance Facilities Aeroasia, PT. Dirgantara Indonesia, and PT. Angkasa Pura I & II), Turkey (Turkish Air Terminal Company, Turkish Airlines, and MNG) and Iran (Iran Air and Mahan Air) presented their companies' current programmes and activities in the areas of maintenance repair and overhaul (MRO); maintenance related tasks; certification and licensing; and airport infrastructures, terminal as well as ground handling. The presenters also shared experiences and best practices in the aviation businesses in some D-8 Countries.
8. With regard to Business to Business partnership, two MoU's were signed, namely, MoU between Garuda Airlines and Turkish Airlines and MoU on Maintenance, Repair, and Overhaul between GMF Aero Asia and MNG Airlines Turkey.

Besides, in line with the Letter of Intent (LoI) signed between DGCA of Indonesia and Turkey on business to business partnership, one LoI had been signed between PT Angkasa Pura II and TAV Airports Holding Turkey in the field of airport developments.

9. A Letter of Intent on the Establishment of Cooperation in the Field of Air Transport between the DGCA of Indonesia and DGCA of Turkey was also concluded during this Meeting.
10. At the end of the Second Session, the representative from the Ministry of Transportation of Indonesia also elaborated the Government's activities and programmes in education and training in aviation industry.
11. Discussions took place after the presentation, particularly on the areas of cooperation that could be developed in the D-8 framework. The Delegations viewed that this Meeting had to take concrete actions of the Article 5 of the Memorandum of Understanding (MoU) for the Establishment of D-8 Member Countries' Working Group for Cooperation in Civil Aviation. The Delegations also hoped that D-8 took active measures to reinforce the said MoU and possible arrangement for exchanging of expertise and conducting training amongst D-8 countries in aviation fields.

12. After intensive discussions and exchange of views, delegations agreed on the following recommendations:
  - a. To activate the Task Forces as a follow up of the Article 5 of the ToR of D-8 Working Group on Civil Aviation on the following areas:
    - i. Task Force on Safety and Security (Coordinator : Turkey)
    - ii. Task Force on Rulemaking Activities and Legal Issues (Coordinator : Iran and Turkey)
    - iii. Task Force on Commercial Issues (Maintenance, Airport and terminal infrastructure, ground handling, leasing, inviting other partners within and other potential D-8 partners, and other issues) (Coordinator: Turkey and Indonesia)
    - iv. Task Force on Air Navigation and Air Traffic Management (Coordinator : Turkey, Pakistan and Iran)
    - v. Task Force on Training and Capacity Building (Coordinator: Turkey)
    - vi. Task Force on Aviation Medical Licensing Standards and Communicable Diseases through Air Travel (Coordinator: Pakistan and Turkey)
  - b. To urge Member Countries that have competitive advantage in civil aviation activities to share their experiences and best practices with other member countries in needs through capacity building programmes.
  - c. To encourage the active participation of private sectors from other D-8 countries in the international civil aviation activities in line with their national interest. As the first move, the private sectors of Indonesia and Turkey had met and agreed to initiate cooperation in the areas of airport infrastructure and operations. This activity is open for other member countries. Both sides also agreed to immediately follow up the initiative.
  - d. To urge member countries that have not signed the “Memorandum of Understanding (MoU) for the Establishment of D-8 Member Countries’ Working Group for Cooperation in Civil Aviation” to do so in order to expedite the implementation of the said MoU.
13. In addition to Turkey and Iran that have put their signatures on the MoU in the second D-8 Working Group Meeting in Isfahan, Iran, on September 2007, the Director General of Civil Aviation of the Republic of Indonesia, the Director General of Civil Aviation of Bangladesh and the Assistant Director General of Civil Aviation of Pakistan signed the MoU during this third Meeting.
14. Indonesia requested D-8 member countries to support its proposal regarding the amendment of article 2 of the Chicago Convention within ICAO forum and will send a letter to member countries regarding this matter.
15. D-8 member countries would promote and initiate the combination of all possible cooperation opportunities within D-8 as well as between D-8 and other countries. The scope of this initiative would be consisting of issues related to passenger traffic, cargo traffic, maintenance, repair, overhaul activities, leasing aircraft, design and production of aircraft, joint certification, and training of civil aviation personnel.

16. The Meeting proposed Malaysia to host the Fourth D-8 Working Group on Civil Aviation and Director Generals Meeting. The Delegation of Malaysia will convey the proposal to the DGCA of Malaysia.
17. Delegations expressed their appreciation to the Government of the Republic of Indonesia for the excellent arrangement of the Meeting and for the hospitality offered to them during their stay in Bali.

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**Tenth meeting of High Level Trade Officials  
(HLTO)**

REPORT OF THE TENTH MEETING OF  
HIGH LEVEL TRADE OFFICIALS OF D-8 COUNTRIES

Thursday, 3 July 2008

Kuala Lumpur, Malaysia

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The Government of Malaysia hosted the Tenth Meeting of High Level Trade Officials (HLTO) of the D-8 Countries in Kuala Lumpur, on 3 July 2008. Delegations from all Member States attended the meeting. The list of delegation is in [Annex I](#).

**ADDRESS BY SECRETARY-GENERAL OF D-8**

2. H.E. Dr. Dipo Alam, the Secretary-General of D-8 expressed his confidence that this Meeting will be able to finalise the text of the Rules of Origin (RoO) of D-8 Preferential Trade Agreement (D-8 PTA) and its Operational Certification Procedures (OCP). His Excellency encouraged member states to accelerate the ratification of the D-8 PTA in order for the agreement to enter into force. The enforcement of the D-8 PTA is a key step for further development of D-8 intra-trade activities. The text of the address is in [Annex II](#).

**ELECTION OF CHAIRMAN**

3. Member states unanimously elected Mr. N. Vasudevan, Director, Ministry of International Trade and Industry, Malaysia as the Chairman of the Meeting.

**OPENING REMARKS**

4. The Chairman welcomed the delegates to the 10th Meeting of HLTO. He urged member states to discuss and finalise the Text of the RoO for D-8 PTA and its OCP. The finalised text will be tabled at the D-8 Commissioners Meeting on 4 July 2008 for endorsement.

**ADOPTION OF AGENDA**

5. The agenda of the meeting ([Annex III](#)) was adopted unanimously.

## DISCUSSION

### **Text of the RoO for D-8 PTA**

6. The text of the RoO for the D-8 PTA was adopted unanimously by member states taking into consideration views of all member states. The text is in Annex IV.

7. The Meeting noted the reservation by Bangladesh and Egypt on the issue of the percentage of local content. Bangladesh proposed 30 per cent local content while Egypt has made reservation regarding the 40 per cent value addition, which was accepted by the majority. The Meeting agreed that their reservations be reflected in the report of the Meeting. Egypt and Bangladesh will join as soon as possible when they are ready to accept the 40 per cent local content.

### **Operational Certification Procedures**

8. As agreed in the Ninth Meeting of HLTO, the draft of OCP for the RoO is based on the TPS-OIC RoO. The OCP and its appendix, incorporating views from all member states, were adopted unanimously. The OCP and its appendix are in Annex V.

9. Turkey insisted on deleting the origin criteria information in Box 4 and the cumulation information in Box 6 in the D-8 CoO and application for the D-8 CoO, stating that such information will cause unnecessary burden on both government authorities and economic operators. However, majority of the members were of the view that Boxes 4 and 6 contain relevant information and agreed to retain the same.

## OTHER MATTERS

### Offer list

10. The Meeting requested the members who have not yet submitted their offer lists, to do so based on their national tariff schedule according to the HS 2007 version.

### Base year for tariff reduction

11. The Meeting requested the D-8 Secretariat to advise the contracting members regarding the time period for the base tariff for applying the tariff reduction modality agreed under Article 5 of the D-8 PTA.

#### ADJOURNMENT OF MEETING

12. The next Meeting of HLTO will be held on a date and venue to be coordinated by the D-8 Secretariat.

13. The D-8 Secretariat and all delegates thanked the Government of Malaysia for hosting this important 10th Meeting of HLTO.