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## PRESS RELEASE

### D-8 ORGANIZATION FOR ECONOMIC COOPERATION

#### D-8 EXPLORES NEW GENERATION BARTER TRADE SYSTEM TO BOOST ITS INTRA-TRADE

The Developing-8 Organization for Economic Cooperation (D-8), in its efforts to further boost intra-trade relations and enhance economic cooperation amongst its member states, has embarked on establishing the 'D-8 New Generation Barter Trade System' (D-8 NGBT), in collaboration with AS Holding of Türkiye. Once established, the initiative will rake in a surplus of fifty billion dollars, in ten years.

This was revealed at a symposium on the new generation barter trading, co-hosted by the D-8 Secretariat and AS Holding in Istanbul on Wednesday, 3 July 2024. Key stakeholders, including government officials, financial authorities, and D-8 member-state representatives, attended the Symposium, which marked a significant step towards fostering economic cooperation, through innovative trade practices.

Dignitaries, which included the D-8 Secretary-General, Ambassador Isiaka Abdulqadir Imam, Chairman of AS Holding, Mr. Murat Doğanay, the Deputy Trade Minister of Türkiye, H.E. Mustafa Tuzcu, Additional Secretary of the Ministry of Commerce of Bangladesh, Ms. Ayesha Akhtar, and the Rector of Istanbul University of Türkiye, Prof. Osman Bülent Zülfikar, delivered remarks, at the Symposium's opening session.

In his remarks, Ambassador Imam underscored the significance of the new barter trading system, which would provide an alternative solution for settling trade balances among D-8 countries, while serving as an instrument to boost the volume of trade transactions among member states and reduce the burden on local currencies.

Ambassador Imam highlighted that the barter trading system aligns with the call by the President of Türkiye, H.E. President Recep Tayyip Erdogan, to enhance local currency utilization, within D8 member states. Ambassador Imam also noted that the barter trading system would further support



realizing the organization's economic cooperation agenda, as encapsulated in its 2020-2030 D-8 Decennial Road.

Ambassador Imam also justified the significant benefits that the barter trading system could have on the economy of the D-8 countries, alluding to the outcome of a study conducted by AS Holding, which says that barter trading could boost the intra-D-8-trade by 50 billion USD, in ten years. Thus, it will save member states the equivalent amount in foreign exchange, over the same period. He, therefore, called on member states to participate fully in the novel project to facilitate trade within the organization's framework.

In his remarks, the Deputy Trade Minister of Türkiye, H.E. Mustafa Tuzcu, emphasized that the D-8 is a veritable vehicle for Islamic countries to bring together their vast economic potentials. He added that the barter trading system can be used to address the issue of foreign exchange shortfall in trade financing as well as global value chain disruption. He also expressed his confidence that if the D-8 countries could employ more innovative ways to trade, it can become significant power, in the competitive global trading system.

Deputy Minister Tuzcu also emphasized that the D-8 must work harder to meet the target of increasing its intra-trade value to at least 10% of its global trade value by 2030. He introduced "friendshoring" as a new concept, where countries, such as the D-8 members, cooperate in solidarity to support each other, in difficult times. As such, he expressed confidence that the D-8 countries, whose economic production compares to 15% of the total global output, will have the ability to shape the world's economy and contribute to the UN development agenda.

Bangladeshi Additional Secretary of the Commerce Ministry, Ms. Ayesha Akhtar, expressed, in her statement, that Bangladesh has always prioritized her relationship between D-8. She expressed her conviction that the new generation barter system will create new trade opportunities among D-8 member countries. Additional Secretary Akhtar also pointed out the importance of the meeting, noting that, although this system is old, its renewal and implementation will enhance commercial relations, among D-8 member states.

In his statement, the Chairman of AS Holding, Mr. Murat Doğanay, lamented that the level of intra-trade among the D-8 countries is still relatively low. He noted that intra-D-8 trade stagnates at around 100 billion dollars figure, which corresponds to 2% of the global trade volume. "Our goal should be to raise intra-trade among ourselves to 500 billion dollars and bring this rate to at least 10% of the D-8's total external trade," added Mr. Murat.



As part of the Symposium, a technical meeting was organized, in which Experts from the D-8 Member States participated and also deliberated on the legal procedures that will enable the smooth implementation of D-8 barter trading system, in their respective countries.

The barter trade system is expected to revolutionize trade among D-8 countries through a structured barter trading framework. This framework will include the establishment of a D-8 Barter Clearing House to manage the barter accounts of countries and companies involved, the utilization of Exim banks to facilitate and secure barter transactions, and the creation of a robust Barter Market across the eight member countries.

The D-8 is an intergovernmental organization headquartered in Istanbul that is comprised of Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan, and Türkiye. Established in 1997, the D-8 operates primarily in the economic realms, covering collaboration in trade, industry, SME development, agriculture and food security, energy, transportation, and tourism.

Istanbul, 5 July 2024