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**REPORT
OF THE TWENTY-THIRD SESSION
OF THE STANDING COMMITTEE FOR ECONOMIC AND
COMMERCIAL COOPERATION OF THE OIC
(Istanbul, 14-17 November 2007)**

1. The Twenty-third Session of the Standing Committee for Economic and Commercial Cooperation of the Organization of the Islamic Conference (COMCEC) was held in Istanbul, from 14 to 17 November 2007.

2. The Meeting of Senior Officials of COMCEC that preceded the Ministerial Session on 14-15 November 2007 was held under the Chairmanship of H.E. Dr. Ahmet TIKTIK, Undersecretary of the State Planning Organization of the Republic of Turkey, to consider the items of the Draft Agenda and prepare Draft Resolutions for consideration by the Ministerial Session.

3. The Session was attended by the representatives of the following Member States of the Organization of the Islamic Conference (OIC):

1. Islamic State of Afghanistan
2. Republic of Albania
3. People's Democratic Republic of Algeria
4. Republic of Azerbaijan
5. Kingdom of Bahrain
6. Brunei Darussalam
7. Burkina Faso
8. Republic of Cameroon
9. Republic of Cote d'Ivoire
10. Arab Republic of Egypt
11. Republic of Gambia
12. Republic of Guinea
13. Republic of Indonesia
14. Islamic Republic of Iran
15. Republic of Iraq
16. Hashemite Kingdom of Jordan

17. Republic of Kazakhstan
18. State of Kuwait
19. Kyrgyz Republic
20. Republic of Lebanon
21. Great Socialist People's Libyan Arab Jamahiriya
22. Malaysia
23. Republic of Maldives
24. Republic of Mali
25. Kingdom of Morocco
26. Federal Republic of Nigeria
27. Sultanate of Oman
28. Islamic Republic of Pakistan
29. State of Palestine
30. State of Qatar
31. Kingdom of Saudi Arabia
32. Republic of Senegal
33. Republic of Sierra Leone
34. Republic of Sudan
35. Syrian Arab Republic
36. Republic of Tajikistan
37. Republic of Togo
38. Republic of Tunisia
39. Republic of Turkey
40. Republic of Turkmenistan
41. Republic of Uganda
42. State of the United Arab Emirates
43. Republic of Uzbekistan
44. Republic of Yemen

4. Bosnia-Herzegovina, the Turkish Republic of Northern Cyprus, Kingdom of Thailand and The Russian Federation participated in the Session as observers.

5. The OIC General Secretariat and the following subsidiary organs, specialized and affiliated OIC institutions attended the Session:

1. Statistical, Economic, Social Research and Training Center for Islamic Countries (SESRTCIC)
2. Islamic Center for the Development of Trade (ICDT)
3. Research Center for Islamic History, Art and Culture (IRCICA)
4. Islamic University of Technology (IUT)
5. Islamic Development Bank (IDB)
6. Islamic Chamber of Commerce and Industry (ICCI)
7. Organization of the Islamic Shipowners Association (OISA)
8. Federation of Consultants from Islamic Countries (FCIC)
9. Islamic Conference Youth Forum for Dialog and Cooperation (ICYF-DC)

6. Representatives of the following international organizations attended the Session as well:

1. Developing Eight (D-8)
2. Federation of Islamic Countries' Contractors (FICC)
3. United Nations Industrial Development Organization (UNIDO)

(A copy of the List of Participants of the Twenty-Third Session of the COMCEC is attached as Annex 1).

Opening Session

7. The Opening Ceremony of the Twenty-third Session of COMCEC was held on 16 November 2007 under the chairmanship of H.E. Abdullah GÜL, President of the Republic of Turkey and Chairman of the COMCEC.

8. In his inaugural statement, H.E. Abdullah GÜL, in welcoming the delegates, expressed his gratitude for being with the representatives of the Member States of the OIC for the first time as the President of the COMCEC and lauded the positive results of activities and projects within the framework of COMCEC. H.E. GÜL, referring to the peculiarities of successful regional cooperation initiatives, underlined that the intra-OIC trade has shown an upward trend and risen from 10 % to 15 % over the course of recent years. In this regard, H.E. the President drew the attention of the house to the Trade Preferential System among the Member States of OIC (TPS-OIC) as the first

outstanding OIC project to liberalize trade. H.E. GÜL pointed out that all Member States should continue their endeavors to put TPS-OIC into force by 1 January 2009, as scheduled.

9. With reference to the poverty alleviation, H.E. Abdullah GÜL expressed his pleasure for the newly established Poverty Alleviation Fund within the IDB. H.E. the President also expressed his gratitude for the OIC Cotton Trade and Investment Forum, which was held on 12-13 November 2007, and underlined the importance of cotton trade for OIC economies. H.E. Abdullah GÜL drew the attention of the participants to the problems of African Peoples in economy, health and society which awaits immediate solutions and called upon all OIC Member States to enhance solidarity with Africa.

10. H.E. Abdullah GÜL, expressing his hope for a peaceful solution in Palestine, called on the Member States to help Palestine people more, and shared his wishes that the political crisis in Lebanon shall be overcome. With regard to the current situation in Iraq, H.E. GÜL highlighted the importance of protecting the territorial integrity of Iraq. H.E. the President expressed his expectation that OIC Member States take concrete steps with a view to terminating isolation imposed on the Turkish Republic of Northern Cyprus. H.E. Abdullah GÜL concluded his statement by thanking all Member Countries, OIC General Secretariat and relevant OIC institutions for their contribution to the work of COMCEC and expressed his wishes of success for the 23rd Session of the COMCEC.

(A copy of the text of the Inaugural Statement of H.E. Abdullah GÜL, President of the Republic of Turkey and Chairman of the COMCEC is attached as Annex 2).

11. His Excellency Prof. Dr. Ekmeleddin IHSANOGLU, Secretary General of the OIC, made a statement at the Opening Session. He congratulated H.E. Abdullah GÜL for his election as the President of the Republic of Turkey and expressed his thanks to the Government of the Republic of Turkey for regularly hosting the COMCEC Meetings.

12. H.E. Dr. Ekmeleddin IHSANOGLU stated that the development of intra-OIC trade requires taking necessary institutional and financial steps. In this

regard, H.E. Dr. İHSANOĞLU appealed to the Member States which have not signed or ratified the Protocol on the Preferential Tariff Scheme for TPS-OIC (PRETAS) to promptly do so. H.E. the Secretary General also expressed his pleasure that the Second Round of Trade Negotiating Committee was concluded with the adoption of a new TPS-OIC Rules of Origin Agreement. H.E. Dr. İHSANOĞLU drew the attention of the house to the efforts to alleviate poverty as a fundamental condition for trade development. Within this framework, he applauded the Poverty Alleviation Fund and appealed to the Member States to contribute to it. H.E. the Secretary General also stated the importance of cooperation among OIC Member States for the development and diversification of their agricultural and industrial products. In this regard, H.E. Dr. Ekmeleddin İHSANOĞLU expressed his gratitude for efforts to enhance the intra-OIC cooperation in the area of cotton production and marketing and thanked the Republic of Turkey, for hosting the Cotton Investment and Trade Forum.

(A copy of the address of H.E Prof. Dr. Ekmeleddin İHSANOĞLU, Secretary General of the OIC is attached as Annex 3).

13. The Heads of Delegation of the State of Qatar, the Republic of Guinea and the Islamic Republic of Iran made statements on behalf of the Arab, African, and Asian groups of Member States, respectively. They extended their thanks to the Republic of Turkey for the hospitality accorded to the delegates and H.E. Abdullah GUL for his sagacious leadership on the occasion of the 23rd Session of the COMCEC. Reminding the delegates of land, human and energy resources of the OIC Community, they shared their view that economic and commercial relations among the Member States are not as expected. In this regard, they stressed the importance of the signing and ratification of TPS-OIC Agreements with a view to enhancing trade among OIC Member States. They also stressed the role of the COMCEC in the development of the African Member States of the OIC and called upon Member States to establish a Fund in order to ensure sustainable development of the Member States in Africa. They thanked OIC Secretary General H.E. Dr. Ekmeleddin İHSANOĞLU, OIC General Secretariat, COMCEC Coordination Office and relevant OIC institutions for their intense efforts for further enhancing cooperation among the Member Countries.

14. H.E. Dr. Ahmed Mohammed ALI, the President of the Islamic Development Bank, also addressed the Opening Session. H.E. Dr. ALI gave a summary of developments on the recent activities of the IDB Group. The President also informed the audience about the data on the funding activities by the IDB.

(The text of the Statement of the President of IDB is attached as Annex 4).

15. H.E. Shaikh Saleh Bin Abdullah KAMEL, the President of the Islamic Chamber of Commerce and Industry (ICCI), also made a statement, in which he mentioned the activities of the ICCI. With regard to combating poverty, H.E. Shaikh Saleh Bin Abdullah KAMEL gave information on the establishment of International Zakat Organization.

(The text of the speech of the President of ICCI is attached as Annex 5).

16. Following the Opening Ceremony, H.E. Abdullah GÜL received the Heads of Delegation.

Ministerial Working Session

17. The Ministerial Working Session of the Twenty-third COMCEC was held on 17 November 2007, under the Chairmanship of H.E. Prof. Dr. Nazım EKREN, Minister of State and Deputy Prime Minister of the Republic of Turkey.

18. The Session adopted the Draft Agenda of the Twenty-third Session of the COMCEC.

(The Agenda of the Session is attached as Annex 6).

19. An Exchange of Views on “Micro-Credit Financing and Poverty Alleviation in Member States” was held under agenda item 10. H.E. Dr. Ahmet TIKTIK, Undersecretary of the State Planning Organization of the Republic of Turkey and the Chairman of the Senior Officials Meeting, made a brief

presentation regarding the outcome of the deliberations of the senior officials on “Micro-Credit Financing and Poverty Alleviation in Member States”.

(The text of presentation of H.E. Dr. Ahmet TIKTIK is attached as Annex 7).

20. Director General of SESRTCIC, Dr. Savaş ALPAY made a presentation about the outcomes and recommendations of the Workshop on Micro-Credit Financing and Poverty Alleviation in Member States, which was held from 9 to 11 July 2007 in İstanbul, Turkey.

21. H.E. Prof. Dr. Muhammad YUNUS, the Nobel Peace Prize Laureate for his contributions and pioneering role in the area of micro-credit, attended the Session as the keynote speaker. Prof. YUNUS began his speech by explaining the establishment process of Grameen Bank. He expressed that he was moved by abject poverty especially in the villages of Bangladesh and observed how small amounts of money helped these poor earn their living and overcome poverty. Underlining the key factors behind the success of micro-credit financing in Bangladesh, especially taking work to heart, H.E. YUNUS pointed out the differences between conventional banking and micro-credit financing; and stressed the importance of this instrument in poverty alleviation, social development and inclusion of the poorest in all levels of education.

22. In the Exchange of Views Session, the Heads of Delegation of the Republic of Turkey, the Republic of Guinea, the Kingdom of Morocco, the Kingdom of Saudi Arabia, the Republic of Uganda, State of Kuwait, Sultanate of Oman, the Turkish Republic of Northern Cyprus and the Russian Federation made presentations on “Micro-Credit Financing and Poverty Alleviation in Member States” in their respective countries.

(Country reports on the subject submitted in writing are available separately).

23. Under agenda item “Capacity Building Programme for Poverty Alleviation in OIC Member States”, H.E. Associate Prof. Dr. Yusuf BALCI, Undersecretary of the Ministry of Industry and Trade of the Republic of

Turkey, made a presentation on the outcomes of the Cotton Investment Forum, which was held on 12-13 November 2007 in Istanbul, Turkey.

(The text of presentation of H.E. Associate Prof. Yusuf BALCI is attached as Annex 8).

24. H.E. Dr. Waleed ALWAHEEB, the CEO of the International Islamic Trade Finance Corporation (ITFC), made a short presentation on their establishment process and future activities.

25. The Session then adopted Resolution OIC/COMCEC/23-07/RES(1) and Resolution OIC/COMCEC/23-07/RES(2).

(Resolution OIC/COMCEC/23-07/RES(1) and Resolution OIC/COMCEC/23-07/RES(2) are attached as Annexes 9 and 10.

26. The Session also adopted the Report OIC/COMCEC/23-07/Sc.Rep. of the 11th Sessional Committee, which was held on 13 November, 2007.

(The Report OIC/COMCEC/23-07/Sc.Rep. of the Sessional Committee is attached as Annex 11).

27. During the Senior Officials Meeting, Arab Republic of Egypt and Kingdom of Morocco expressed their reservations on some articles of the agreed text of TPSOIC Rules of Origin and the voting methodology. Regarding this issue, legal opinion of the OIC General Secretariat will be sought on article 17 and 19 on voting method of the Rules of Procedure of the TNC and the result will be submitted to the forthcoming Meeting of the TNC.

28. The delegation of the Islamic Republic of Iran, Republic of Tunisia and Kingdom of Morocco stressed that the rule of consensus as a good tradition of OIC should be kept. Islamic Republic of Iran also stated the necessity of moving forward with the agreements on trade issues and expressed their respect for the decisions made so far regarding these matters.

Closing Session

29. The Closing Session of the Twenty-third Session of the COMCEC was held on 17 November 2007 under the chairmanship of H.E. Kürşad TÜZMEN, Minister of State of the Republic of Turkey in charge of foreign trade.

30. At the beginning of the Session, H.E. Syed Iftikhar Hussain SHAH, Ambassador of the Islamic Republic of Pakistan to Turkey and Rapporteur of the COMCEC, presented the Resolutions adopted at the Ministerial Session. In his presentation, H.E. SHAH summarized the proceedings of the Session and highlighted important points of agreement contained in the resolutions.

31. H.E. Mr. Tori LIMANGANA, Assistant Secretary General for Economic Affairs read out the message of His Excellency Prof. Dr. Ekmeleddin İHSANOĞLU, OIC Secretary General. In his message, H.E. Dr. Ekmeleddin İHSANOĞLU referred to the successful conclusion of the Second Round of Trade Negotiations conducted among the member states of the Trade Negotiating Committee (TNC) within the Framework Agreement on the Trade Preferential System among OIC Member Countries (TPSOIC). H.E. the Secretary General concluded his message by urging the Member Countries of OIC that had not yet done so to sign and ratify TPS-OIC Rules of Origin Agreement at their earliest convenience so that it would enter into force as scheduled.

(The text of the Message by H.E. Prof. Dr. Ekmeleddin İHSANOĞLU, is attached as Annex 12).

32. H.E. Sulman Suliman Al-Safi, Minister of Commerce of Sudan, made a statement on behalf of all participating Member Countries, in which he thanked H.E. Abdullah GUL, the President of the Republic of Turkey, and H.E. Kürşad TÜZMEN, Minister of State of the Republic of Turkey, the OIC General Secretariat, and all parties concerned for their contribution to the work of the Session.

33. H.E. Kürşad TÜZMEN, Minister of State of the Republic of Turkey, also made a closing statement at the Session. H.E. Kürşad TÜZMEN emphasized the importance of the implementation of the Trade Preferential System by

2009 for reaching the target of 20% intra-OIC trade. Underlining the boosting demand for halal products, H.E. TÜZMEN expressed that it is crucial to establish a common Halal Food Standard under the auspices of the OIC.

34. With a view to getting a greater share from enhancing global welfare, H. E. Kürşad TÜZMEN defined the main task as promoting investment in the multilateral economic relations, ensuring sustainability of private sector investment and giving priority to quality and brand recognition. Regarding poverty alleviation, H.E. TÜZMEN stressed the paramount importance to the implementation of Action Plans on such areas as tourism and cotton and congratulated the IDB and the Member Countries for the establishment of the Poverty Alleviation Fund within the IDB. H.E. Kürşat TÜZMEN concluded his statement by thanking to all delegations and OIC institutions, COMCEC Coordination Office, organizers and interpreters for their valuable contributions to the 23rd Session of the COMCEC.

(The text of the Closing Statement of H.E. Kürşad TÜZMEN is attached as Annex 13).

35. A signing ceremony was held at the Closing Session. During this ceremony, the Heads of Delegation of the Cameroon and Malaysia signed the TPSOIC Rules of Origin. The Head of Delegation of Guinea signed the Protocol on the Preferential Tariff Scheme for TPSOIC (PRETAS). The Head of Delegation of Senegal signed the Statute of the Standards and Metrology Institute for the Islamic Countries (SMIIC). The Head of Delegation of Sierra Leone signed the General Agreement on Economic, Technical and Commercial Cooperation, the Agreement on Promotion, Protection and Guarantee of Investments, the Framework Agreement on Trade Preferential System, (TPSOIC) the Statute of the Islamic Civil Aviation Council, the Statute of the Islamic States Telecommunications Union and the Statute of the Standards and Metrology Institute for the Islamic Countries (SMIIC).

