Annex 7
Report of the Secretary General on the Progress on Implementation of the OIC Ten-Year Programme of Action

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REPORT OF THE SECRETARY GENERAL ON THE PROGRESS ON IMPLEMENTATION OF THE OIC TEN-YEAR PROGRAMME OF ACTION TO THE 23RD FOLLOW-UP COMMITTEE OF COMCEC

ANKARA,
REPUBLIC OF TURKEY
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ABBREVIATIONS

OIC:	Organization of the Islamic Conference
ICFM:	Islamic Conference of Foreign Ministers
COMCEC:	OIC Standing Committee for Economic and Commercial Cooperation
COMIAC:	OIC Standing Committee for Information and Cultural Affairs
COMSTECH:	OIC Standing Committee for Scientific and Technological Cooperation
OIC/POA:	OIC Ten-Year Programme of Action
ICECS:	Islamic Commission for Economic, Cultural and Social Affairs
IFA:	Islamic Fiqh Academy
ISF:	Islamic Solidarity Fund
TPS-OIC:	Trade Preferential system of OIC
PRETAS:	Preferential Tariff Scheme of TPS of OIC
IRCICA:	Islamic Research Centre for History, Culture and Art
SESRTCIC:	Statistical, Economic and Social Research and Training Centre for Islamic Countries
ICDT:	Islamic Centre for Development of Trade
IUT:	Islamic University of Technology
IDB:	Islamic Development Bank
ICIEC:	Islamic Corporation or the Insurance of Investment and Export Credit
ICD:	Islamic Corporation for the Development of the Private Sector
ISESCO:	Islamic Scientific, Educational and Cultural Organization
UN:	United Nations
IFAD:	International Fund for Agricultural Development
FAO:	Food and Agricultural Organization
IMF:	International Monetary Fund
LMDC:	Least Developed Member Countries
OISA:	Organization of Islamic Shipowners Association
GCC:	Gulf Cooperation Council
WAEMU:	The West African Economic and Monetary Union
UNIDO:	United Nations Industrial Development Organization

REPORT OF THE SECRETARY GENERAL ON THE CURRENT STATUS OF THE IMPLEMENTATION OF THE TEN-YEAR PROGRAMME OF ACTION

Introduction

The Third Extraordinary Session of the Islamic Conference was convened by the Custodian of the Two Holy Mosques King Abdullah Bin Abdul Aziz on 7-8 December 2005 in Makkah to address the challenges faced by the Muslim World in the 21st Century and to identify the ways and means to tackle them with a renewed spirit based on the principles of Islamic solidarity.

The outcome of the Summit was a major achievement for the Muslim World as it adopted a document of historic significance in the shape of a ten year programme of action which provided a blueprint encompassing all spheres of concerns for the Muslim World, which required collective action on the part of the Ummah.

The basis of the Ten-Year Programme of Action (**POA**) was the result of deliberations by Muslim scholars and intellectuals during a session convened in September 2005 in Makkah at the invitation of the Custodian of the Two Holy Mosques, who had extended invitations to representative group of scholars in each area to examine the issues confronting the Muslim Ummah. The Panel of scholars from the Muslim World as well as from non-Member States deliberated during three days all the important issues and thereafter, proposed in the shape of three reports, their recommendations emerging out of three panels on the following main themes:

Political and Media Affairs
Economic, Education, Science and Technology Affairs
Islamic Thought, Intellectual, Social and Cultural Affairs

The Ministerial Meeting Preparatory to the Third Islamic Summit Conference reviewed the recommendations adopted by the Meeting of Muslim Scholars and Intellectuals, held in Makkah Al-Mukarramah in September 2005 at the invitation of the Custodian of the Two Holy Mosques King Abdullah Ibn Abdul Aziz and endorsed some of these recommendations for submission to the Summit.

In the Holy City of Makkah, the Conference of Kings, Heads of State and Government adopted the Ten-Year Programme of Action **(POA)** and founded the basis for a progressive and forward looking vision for the OIC in the 21st Century.

Development since Makkah Summit

Following the Summit, the Secretary General decided that follow-up and implementation of the Ten-year Programme of Action should start immediately. In this regard the Secretary General assigned the responsibility to all the departments within the General Secretariat to brief on the areas falling within their purview to

make recommendations on the implementation of the **POA**. Simultaneously, the Secretary General addressed letters to Member States' Foreign Ministers requesting them to provide their inputs and to send their views/comments on the implementation of the **POA** in the national and international context. As a further step the Secretary General invited the OIC organs to propose the implementation and convened their meeting on March 5, 2006 in Jeddah.

All organs of the OIC met on March 5, 2006 and extensively reviewed the provisions of the **POA**. The officials of the organs suggested the course of action to be adopted by the individual institutions in their areas for implementing the **POA**. The meeting was also attended by the three Standing Committees namely, COMSTECH, COMCEC and COMIAC.

It was decided during the meeting that the **POA** will become a permanent agenda item in future Summit Conferences, and Standing Committees meetings as a continuing process to review the progress.

With a view to ensuring effective implementation of the Programme, the Secretary General further took the following decision:

- To convene an annual coordination meeting of all concerned OIC subsidiary organs and affiliated institutions for follow-up of the OIC Ten-Year Programme of Action.

- To establish a Steering Committee chaired by the Secretary General in order to take decisions at the highest level and give necessary guidance for the implementation of the Programme.

- To designate at the Cabinet of the Secretary General a Coordinator to liaise with Member States, OIC institutions and departments concerned within the OIC for continuous follow-up, coordination and reporting on the implementation of the Programme.

- To put the issue concerning implementation of the OIC Ten-Year Programme of Action on top of the agenda items of all OIC Conferences, including OIC Summit Conferences, ICFM, Meetings of OIC Standing Committees (COMCEC, COMIAC and COMSTECH) and other meetings at all levels.

The Secretary General presented a report on the status of the implementation of the OIC Ten-Year Programme of Action to the 33rd ICFM, held in Baku, Azerbaijan in June, 2006. After considering the report of the Secretary General the ICFM resolved the following:

- **Decided** that the implementation of the OIC Ten-Year Programme of Action be a permanent agenda item of the ICFM, COMCEC, COMSTECH, COMIAC and the OIC Summit.

- **Called upon** Member States to provide full political, moral and financial support for the implementation of the Ten-Year Programme of Action.

- **Expressed** its appreciation to the General Secretariat and other OIC institutions for their efforts in implementing the OIC Ten-Year Programme of Action.

- **Paid tribute** to the Secretary-General for his leadership and outstanding contribution in the implementation of the Programme of Action".

OIC-UN Coordination

A Coordination Meeting between the OIC and its institutions and the UN and its institutions was held in Rabat, Morocco on 11-13 July 2006. The OIC delegation consisting of representatives of the OIC General Secretariat; ISESCO; IDB; IRCICA; ICCI; ICDT; SESRTCIC; ISSF; ICYF-DC; OISA;P WFAIIS; ICIC; IUN; IUT and the UN delegation composed of representatives from OHCHR; UNHCR; UNEP; WFP; UNIDO; ITU; ILO; IMO; OCHA; UNIFEM; FAO; UNDP; UNRWA; UNESCO, UNFPA; UNICEF; WHO; IFAD; UN-Habitat and UN Secretariat in New York.

During the inaugural ceremony of the Meeting, the Assistant Secretary General for Science & Technology and Head of OIC delegation stated that the historic adoption of the OIC Ten-Year Programme of Action in December 2005 by the Kings and Heads of State of the OIC Member States can be considered as an important step forward for the implementation of the UN Millennium Development Goals. These two comprehensive documents would facilitate and expedite the OIC and UN joint efforts. It is on the basis of this OIC Ten-Year Programme of Action that OIC and its institutions have developed and prepared project proposals for coordination and collaboration with the UN and its affiliated institutions.

The Coordination Meeting noted with satisfaction the strengthening of cooperation between the OIC and UN and agreed to pursue organizing a coordination meeting in 2007 to follow-up on the decisions and recommendations made by the Coordination Meeting in 2006. The Coordination Meeting will also review project proposals for future collaboration. It was further agreed that the participants of OIC-UN Coordination Meeting would exchange project proposals one year in advance with a view to finalizing and agreeing on joint projects during the OIC-UN Coordination Meeting. Contribution from UN institutions will help in the efforts of the OIC General Secretariat and other OIC institutions in ensuring effective implementation of the OIC Ten-Year Programme of Action.

In addition to the launching of the OIC Ten-Year Programme of Action in Baku on the occasion of the 33rd ICFM, other events were organized to promote the Programme. In this context, a brain-storming seminar on the Programme was organized in Dakar, Senegal, from 13 to 15 November, 2006 in conjunction with the Ministerial Meeting of OIC Standing Committee for Information and Culture

(COMIAC). A presentation of the Programme was also made during COMCEC Annual Meeting (21-24 November, 2006). Presentation of the Programme in other OIC Member States will also be made in the near future. This report is submitted to the 23rd Follow-up Committee of the OIC Standing Committee for Economic and Commercial Cooperation (COMCEC). The report will cover chapter II of the OIC-Ten Year Programme of Action titled "Development, Socio-economic and Scientific Issues". However, the report concerns only Development and socio-economic cooperation which falls within the competence of the COMCEC.

Progress/Action

Contacts are underway with Member States on the subject. Some progress has been made in this domain and more information will be provided in the Road Map. The Secretary General will submit a special report on this issue of settlement of arrears of mandatory contributions to the Permanent Finance Committee to the 33rd ICFM.

II. DEVELOPMENT, SOCIO-ECONOMIC AND SCIENTIFIC ISSUES

1. Economic Cooperation

(39) **POA** II.1.1:

Call upon the Member States to sign and ratify all existing OIC trade and economic agreements, and to implement the provisions of the relevant OIC Plan of Action to Strengthen Economic and Commercial Cooperation among OIC Member States.

Progress/Action:

Ensuring the implementation of PRETAS and launching the 2nd round of trade negotiations under the Framework Agreement on Trade Preferential System (TPSOIC). COMCEC and the OIC General Secretariat will adopt appropriate measures with a view to achieving the above objectives. The Kingdom of Morocco has ratified TPSOIC agreement on 15th June 2006 and became the 18th contracting country.

The first meeting of the Trade Negotiating Committee (TNC) was held in Istanbul, Turkey from 24 to 26 November 2006. The meeting discussed issues related to Rule of Origin and Para-Tariff Measures to Trade. Proposals were made to move forward and conclude the Second Round of TNC before the 23rd Session of COMCEC in November 2007.

Bangladesh, Cameroon and United Arab Emirates signed PRETAS to bring the number of signatory countries to 9.

West African Economic and Monetary Union (WAEMU) pointed out at the 22nd Session of COMCEC in Istanbul that WAEMU also attended as Observer to the TNC

meeting. It is recommended that a workshop between COMCEC Secretariat, ICDT and WAEMU should be organized to facilitate the entry of 8 signatory countries into PRETAS. Guinea, which has signed TPSOIC but not PRETAS could also be invited to attend this workshop.

The General Secretariat is exerting great deal of efforts to encourage Member States to sign and ratify TPS OIC and PRETAS. However, only Malaysia and Jordan have so far ratified PRETAS. It is worth mentioning that PRETAS will enter into force after signing and ratification by ten OIC Member States.

Strengthen relations between the OIC and the regional economic groupings within the OIC. Some regional economic groupings, namely Gulf Cooperation Council (CCC), Economic Cooperation Organisation (ECO), West African Economic and Monetary Union, participated in the 22nd Session of COMCEC. More efforts will be undertaken in this domain.

SESRTCIC submitted a report, which reviews the OIC agreements and statutes in the field of economic, commercial and technical cooperation was prepared and submitted to the 22nd Session of the COMCEC, 21-24 November 2006, for consideration.

A paper on the possibility of establishing a Free Trade Area among the OIC member countries was also prepared by SESRTCIC and submitted to the 22nd Session of the COMCEC, 21-24 November 2006, for consideration.

(40) **POA** II.1.2:

Mandate COMCEC to promote measures to expand the scope of intra-OIC trade, and to consider the possibility of establishing a Free Trade Area between the Member States in order to achieve greater economic integration to raise it to a percentage of 20% of the overall trade volume during the period covered by the plan, and call on the Member States to support its activities and to participate in those activities at the highest possible level with delegations possessing the necessary expertise.

Progress/Action:

The Secretary General presented a report the recent developments on the implementation of the OIC Ten-Year Programme of Action relating to Economic Cooperation to the 22nd OIC Standing Committee for Economic and Commercial Cooperation (COMCEC) which was held in Istanbul, Turkey on 21-24 November, 2006. Following this presentation the COMCEC resolved the following:

- Calls upon Member States to provide full political, moral and financial support for the implementation of the OIC Ten-Year Programme of Action.
- Takes note with appreciation of the steps already taken by the Secretary General including the convening of a coordination meeting of OIC institutions for the implementation of the OIC Ten-Year Programme of Action.
- Extends thanks to Member States which have announced their contributions to the resources of the Fund for Poverty Alleviation, with special appreciation to

the Custodian of the Two Holy Mosques, King Abdullah Ibn Abdulaziz Al Saud of Saudi Arabia for the generous contribution of 1 billion US Dollars in favour of this Fund; and the State of Kuwait which has announced a contribution of US $ 300 Million to the Fund and urges all Member States, which have not yet done so, to announce generous financial contributions in favour of this Fund.

- Requests the IDB, in cooperation with the OIC General Secretariat and SESRTRIC, to prepare a report to be submitted to the 31st Session of the Islamic Commission for Economic, Social and Cultural Affairs, on ways and means to synergize the OIC Programme for Development in Africa, the IDB Ouagadougou Initiative for Africa and the NEPAD Programme.
- Calls upon the OIC General Secretariat, the IDB, ICDT, ICCI, SESTRCIC and the relevant sub-regional African Organizations to organize at the earliest convenience in West and Central Africa, meetings for the presentation of national, regional or sub-regional projects to be considered in the framework of the OIC Ten-Year Programme of Action and the programme emanating from the Ouagadougou Declaration initiated by the IDB in favour of Africa as well as the sectoral programmes concerning the expansion of trade and investments in the cotton sector in OIC African Member States.
- Calls upon the OIC institutions to set up their Plan of Actions and Programmes, with a view to achieving the goals put by the OIC Ten-Year Programme of Action and entrusts them to report to the annual sessions of the COMCEC and other OIC fora concerned.
- Welcomes the offer of Burkina Faso to host one of these regional meetings.
- Requests the OIC General Secretariat, IDB, ICDT, SESRTCIC and ICCI to organize a forum on ways and means of energizing trade and investment in food industry within Africa within the OIC Ten-Year Programme of Action.

Following measures will also contribute to the increase of intra-OIC Trade and the realization of the objectives set by the OIC Ten-Year Programme of Action in this domain:

- The establishment within IDB of the Islamic Trade Financing Corporation which will be operational during the year 2007.

With a view to encouraging the private sector to play a more active role in the implementation of the Programme of Action, the Islamic Chamber of Commerce and Industry will undertake the following:

The Islamic Chamber has prepared its 10 Year Work Plan, in line with the POA, which includes the following actions:

- Al-Ommar Bank's paperwork has been completed and Insh'Allah very soon this Bank with a capital of 100 Billion US$ for long-term infrastructure projects would be established.
- World Businessmen Council for OIC Countries: the main objectives for the establishment of the Council is to enhance intra-Islamic trade exchanges; to

attract and encourage investments to the member countries; and to work to overcome the difficulties faced by the businessmen.

- Waqf Fund statute has been formulated and 5-member Committee has been established to utilize this Fund. The objective of this Fund is to utilize the energies of the youth and orient them towards positive activities that would benefit them and the Ummah at large.
- For strengthening economic and commercial cooperation among OIC Member States and to implement OIC 10-Year Programme of Action, Islamic Chamber's Executive Committee has recently established International Islamic Company for exploration of Investment Opportunities and Promotion of Intra-Trade. The Company would focus on publicizing and establishing economically viable commercial and industrial projects in order to provide job opportunities to the labour of the Islamic countries.

A comprehensive plan on the establishment of Human Resource Development Companies in OIC Member States is under finalization and very soon it would be circulated among the potential partners of the project.

Additionally, the following activities have also been promoted or will be undertaken by OIC Subsidiary Organs, Specialized and Affiliated Institutions for energizing intra-OIC trade:

1. Trade Fairs of Islamic Countries: The 11th Islamic Trade Fair will be held in Dakar, Senegal from 21st to 25th November, 2007. ICDT is also planning to organize specialized exhibits on agro-industry, pharmaceutical, information and telecommunication technologies;
2. Tourism Fairs of Islamic Countries: The first Tourism Fair was organized in Istanbul, Turkey, in November 2005. Lebanon and ICDT are preparing the second Islamic Tourism Fair to be held in Beirut in June 2007;
3. Annual Meetings of the Private Sector will be organized;
4. Specialised exhibitions and supply/demand workshops on high trading potential products;
5. The launching of the virtual fair in the website of the ICDT in order to encourage direct trade transactions between the enterprises of the OIC Member States. ICDT organized a tracking workshop on logistic and export competitiveness in March, 2006 in Casablanca, Kingdom of Morocco.
6. Turkey and ICDT organized the first conference on technical cooperation among the industrial property offices in the OIC Member States in Ankara in December, 2006.
7. Trade Facilitation;
8. Trade Information. ICDT is organizing trade information;
9. To ensure effective implementation of agreements signed during OIC Private Sector Meeting as well as recommendations of OIC Economic Fora, (Istanbul Economic Forum, Putrajaya Economic Forum, Jeddah OIC Economic Forum, and Turkish African Economic Forum);
10. Upgrading means of transport such as maritime, air, and

land transport through cooperation between ICCI, OISA,IDB, ICDT and in coordination with regional and international organisations and/or institutions.

In this context, it is recommended that OIC Member States encourage their national maritime transport companies to adhere to Bakkah Shipping Company (BASCO) which was recently established by the Organization of the Islamic Shipowners Association. The objective of this company is as follows:

- Mainly to connect Islamic ports with permanent lines in the future.
- The company will start operations in chartering of oil tankers, cargo and passenger vessels.
- The company registered in Dubai, Trade and Industrial License obtained, Board of directors appointed, the company started business with capital 30 million US Dollars from 1st December 2006.
- To encourage technical cooperation and harmonization of rules and regulations of OIC Member States in the domain of maritime transport.

As mentioned earlier, the Third Extraordinary Islamic Summit Conference decided to push up intra-OIC trade from 14% in 2005 to 20% in 2015. Commercial exchanges naturally cover trading in goods and services and tourism, obviously – occupies a leading position in the services trade sector. The Fifth Session of the Islamic Conference of Tourism Ministers was therefore held in Baku, Azerbaijan, on 11-12 September, 2006.

The Conference reaffirmed the need to strengthen economic and commercial cooperation among the OIC Member States generally, and particularly in the area of tourism. In this context, critical momentum can be gained in achieving this objective by encouraging the development of intra-OIC tourism and giving priority to joint regional tourism projects within the framework and spirit of the Makkah Summit and the OIC Ten Year Programme of Action to face the challenges of the 21st Century.

In this context, the conference welcomed the project on Sustainable Development of Tourism within a Cross-border Network of Parks, Reserves and Sanctuaries across West Africa, which involves nine member states. The Conference reaffirmed its support to this regional project and appeal to member states, OIC and international institutions to provide necessary political and financial support for the speedy and effective implementation of this regional programme.

The Conference welcomed the offer made by the Republic of Turkey to host an Expert Group Meeting on Tourism Development during the first quarter of 2007, thanked the Republic of Turkey for this offer and invited all Member States and the OIC Institutions concerned to actively contribute to the preparation of the Strategic Plan for Tourism Development in OIC.

The Conference noted with satisfaction the noteworthy efforts made by the Secretary General in the implementation of the decisions and recommendations of the Islamic Conferences of Tourism Ministers as well as other meetings organized by the OIC Member States and institutions in this field.

The Conference further encouraged the Secretary General to carry on his efforts to make of tourism an important factor for the development of Member States, strengthening of their economic and commercial cooperation and for poverty reduction.

The Conference welcomed the offer of the Syrian Arab Republic to host the Sixth ICTM in 2008, and invites the Member States to actively participate in this Conference. The Conference took note of the interest of Brunei Darussalam to host the Seventh ICTM in 2010.

The Conference also welcomed the offer of the Islamic Republic of Pakistan and the Islamic Republic of Iran to host the ministerial level tourism related events in their countries in 2007 and 2009, respectively.

There has also been good development in the domain of cooperation between OIC cotton producing countries.

The Third Experts Group Meeting on enhancing production efficiency and international competitiveness in OIC cotton producing countries was held in Antalya from 9 to 12 October, 2006 on the invitation of the government of Turkey. The Experts Group Meeting examined and approved an "Action Plan for the OIC Cotton Producing Countries Cooperation Development Strategy". The Action Plan also approved by the 22nd Session of COMCEC held in Istanbul, Turkey, on 21-24 November, 2006.

Having considered the Report of the Secretary General on the subject matter and the Action Plan document, the COMCEC resolved the following:

- Endorses the Action Plan for OIC Cotton Producing Countries' Cooperation Development Strategy (2007-2011) which was adopted at the Third Expert Group Meeting on Enhancing Production Efficiency and International Competitiveness in OIC Cotton Producing Countries held in Antalya, Turkey on 9-12 October 2006.
- Urges the participating OIC Member States to take active part in the timely implementation of the Action Plan.
- Requests the Member States concerned to nominate their focal points for the implementation of the Action Plan.
- Expresses its thanks to the Government of Burkina Faso and Turkey, the OIC General Secretariat and the IDB for their contribution to the preparation of the OIC Five Year Cotton Programme.
- Invites the General Secretariat of the OIC, IDB, ICDT, SESRTCIC and ICCI to organize, in collaboration with international and regional organizations concerned, an investment forum comprising the OIC cotton producing countries, financial institutions, textile industries, and research centres with a view to working out concrete projects and proposals for the implementation of the OIC Five Year Cotton Programme.

- Welcomes the offer of the Republic of Turkey to host the cotton investment forum.
- Also requests the OIC General Secretariat in collaboration with the IDB, SESRTCIC, ICCI and ICDT to monitor the implementation of the Action Plan and report on them to the annual sessions of the COMCEC and other OIC fora concerned.

(41) **POA** II.1.3:

Promote endeavors for institutionalized and enhanced cooperation between OIC and regional and international institutions working in the economic and commercial fields.

Progress/Action:

The OIC General Secretariat and its relevant institutions are requested to organize a meeting with regional economic groupings within the OIC in order to enhance the intra-OIC trade.

In this context, the Secretary General has started contacts with one regional organization. A letter was addressed to the West African Economic and Monetary Union (WAEMU) for accession of its Member States to the Framework Agreement for Trade Preferential System and PRETAS as indicated earlier. WAEMU has been invited to attend the 22nd Annual Meeting of COMCEC (Istanbul, Turkey, 21-24 November, 2006). They attended as observer the 22nd Session of COMCEC and First Round of Second Negotiations for Trade Preferential System was held in Istanbul on 24-26 November, 2006.

The 22nd Annual Session of the COMCEC, having considered the report of the Secretary General on the subject matter, **reaffirmed** the importance of the need to develop region- based projects by a group of Member States in a particular region to get the support of the regional institutions accordingly stresses the importance of ensuring the active involvement of regional groupings, such as the Economic Cooperation Organization (ECO), the Gulf Cooperation Council (GCC), and the Arab Maghreb Union (AMU) and West African Economic and Monetary Union (WAEMU), in future experts group meetings.

A Memoranda of Understanding (MOU) will be concluded to enhance cooperation between related OIC institutions and regional and international institutions working in the economic and commercial fields.

OIC institutions are encouraged to exchange information on memoranda of understandings signed with UN agencies and other international and/or regional economic groupings.

(42) **POA** II.1.4:

Support OIC Member States in their efforts to accede to the World Trade Organization (WTO), and promote concerted positions between the Member States within the WTO.

Progress/Action:

The 22nd Session of the COMCEC, considered reports submitted by IDB and ICDT on the subject and resolved the following:

- Notes the current impasse in WTO negotiations and urges the OIC Member States, when the negotiations within the framework of WTO resume, to participate in them actively in a way that influences the processes on issues of high interest for their economies especially those relating to agriculture including cotton, industrial products, services as well as other issues.

- Urges the Member States, who are already the members of the WTO, to support the other OIC Member States seeking accession to the WTO in related for a.

- Calls on IDB, ICDT and related OIC institutions to continue extending technical assistance to Member States in the context of the multilateral trade negotiations.

- Calls on IDB and ICDT to pool and coordinate their efforts to reinforce human and institutional capacities of Member States so as to facilitate their full integration into the multilateral trading system on equitable and fair basis. In this regard, requests IDB and ICDT to coordinate the positions of Member States within the WTO with a view to setting up a common platform of negotiations.

(43) **POA** II.1.5:

Call upon the OIC Member States to facilitate the free movement of businessmen and investors across their borders.

Progress/Action:

Draft Agreement for the open visa for business community has been prepared and will be submitted to the Senior Officials Meeting Preparatory to the 34th ICFM.

Lebanon has expressed its readiness to grant 6 month conditional visa for businessmen..

(44) **POA** II.1.6:

Support expanding electronic commerce among the OIC Member States and call on the Islamic Chamber of Commerce and Industry to strengthen its activities in the field of data and expertise exchanges between chambers of commerce of the Member States.

Progress/Action:

An MOU will be concluded between relevant international institutions, the OIC General Secretariat and concerned UN institutions to explore possibilities of launching joint projects for capacity building in electronic commerce. This will help reduce the digital gap. This area has great potential for South-South cooperation. The cooperation possibilities among the OIC Member States will also be explored.

IDB, ICCI, ICDT and SESRTCIC will provide to Member States whenever necessary, technical assistance in order to work out national strategies as well as required regulations for developing electronic commerce.

SESRTCIC has already prepared a study related to this subject titled "Impact of E-commerce and Use of Information Technology on Promotion and Development of intra-OIC Trade". This document will be circulated to Member States and OIC institutions concerned for review and appropriate decision/action. Further work in this domain is being undertaken by OIC institution.

During the 12th Session of the OIC-UN Coordination Meeting held in Rabat, Morocco on 11-13 July 2006, the SESRTCIC and the International Telecommunication Union (ITU) agreed on the possibilities of exchanging ICT related data and indicators as well as on cooperation on capacity-building and ICT trainings.

In this connection, the Centre prepared a study on the impact of e-commerce and use of information and telecommunications technologies (ICT) on the promotion and development of intra-OIC trade for the workshop held in Tunis, 10-12-2003 on the theme of Exchange of Views Session of the 19th Session of the COMCEC.

(45) **POA** II.1.7:

Call upon the Member States to coordinate their environmental policies and positions in international environmental fora so as to prevent any adverse effects of such policies on their economic development.

Progress/Action:
A set of indicators on environmental sustainability and environmental performance available in the international organizations working in this field has been identified by SESTRCIC and the relevant date for the OIC countries on these indicators are already published in the Centre's website. In this context, the Centre will continue its efforts to further enrich its database on environmental indicators. The Centre is also preparing a roster of environmental experts in the OIC member countries.

In addition to these data collection activities, the following three studies have been submitted by SESTRCIC to the 2nd Islamic Conference of Ministers of Environment, held in Jeddah, 13-15 December 2006:

(1) Environmental Sustainability in the OIC Member Countries,
(2) Environmental Performance in the OIC Member Countries, and

(3) Climate Change and the Kyoto Protocol: Implications for the OIC Member Countries.

2. Supporting the Islamic Development Bank (IDB)

(46) **POA** II.2.1:

Establish a special fund within the IDB in order to help address and alleviate poverty, and provide job opportunities; and commission the IDB Board of Governors to establish this special fund, including mechanisms for its financing.

The 31st Meeting of the Board of Governors of the Islamic Development Bank was held in Kuwait on 30-31 May, 2006. Implementation of the OIC Ten-Year Programme of Action was one of the main agenda items of the meeting.

The Board of Governors of the IDB decided:

a) To establish a Special Fund within the IDB to help address and alleviate poverty in OIC Member Countries;
b) To urge Member Countries to announce financial contributions to the Fund;
c) To entrust the Board of Executive Directors of the IDB with the task of formulating all details and documents relating to the Fund; and
d) To submit the documents to the Board of Governors for consideration and approval.

Saudi Arabia was the first country to announce its contribution of US$1 billion on the occasion of the Board of Governors' Meeting in Kuwait in May 2006. Another major contributor is Kuwait, which has pledged US$300 million. Other countries, mostly least developed, have also contributed to the Fund.

Following the Board of Governors' Resolution reached in Kuwait, the IDB has since been formulating the necessary documentation that will pave the way for the establishment and operationalization of the Fund, hopefully in a year's time. The necessary documentation includes policy, operational, technical, management and administrative aspects of the Fund, as well as its legal framework and operational guidelines. These various pieces of work are expected to be finalized by March 2007. Subsequently, the IDB Board of Executive Directors will present to the Board of Governors (BOG) a complete set of the said documentation in May 2007 in Dakar (Senegal) during the next (32nd) meeting of the BOG. The IDB Board of Executive Directors has decided to establish the Fund on the basis of Waqf, with an initial "seed" capital of US$10.00 billion payable over a period of 10 years. In as far as the name of the Fund is concerned, this has not yet been formally decided, but temporarily, it is being called as a "Poverty Alleviation Fund". As a Waqf, you my wish to know that operations will be financed only from the return of investing its core resources.

The Principal resources of the *Poverty Alleviation Fund* shall consist of: (a) initial contributions by all IDB member states, (ii) IDB's seed contribution, and (iii) income derived from operations.

There is a need to exert increased efforts with a view to getting more contributions to the fund. The OIC Secretary General has addressed letters to all Heads of State and Government of Member States appealing to them to contribute to the Fund. The 33rd ICFM extended thanks to the Member States which have announced their contributions to the resources of the Fund for Poverty Alleviation, with special appreciation to the Custodian of the Two Holy Mosques, King Abdullah Ibn Abdulaziz Al Saud, for the generous contribution of 1 billion US Dollars in favour of this Fund; as well as the State of Kuwait and other contributors and urges all Member States to announce their generous financial contributions in favour of this Fund and to empower it with the necessary resources to ensure a strong start such as to make the Fund an effective tool in the areas of capacity-building and fighting poverty in the Member States.

The IDB held a Ministerial level meeting on February 24, 2007 in Jeddah as part of its efforts to secure more contributions to the Fund. Participating in this meeting were Governors of the Bank, the Secretary General of OIC and the President of the Bank. In preparation for this meeting, IDB held a consultative meeting with Experts and Scholars on February 14 in Jeddah for their input on strategy and objectives on how the Fund will be operated. The IDB will produce more detailed information on the Poverty Alleviation Fund.

(47) **POA** II.2.2:

Mandate the Islamic Development Bank to coordinate with the OIC General Secretariat in order to make the necessary contacts with the World Health Organization and other relevant institutions to draw up a programme for combating diseases and epidemics, to be financed through the special fund that will be created within the IDB.

Progress/Action:

A joint task force will be set up comprising IDB, OIC General Secretariat and WHO.

The OIC/IDB coordination group was formed to prepare terms of references for feasibility studies of the programme. These studies will define the scope of the programme, mode of financing and management, and select a consultant for the same.

In a coordination meeting between the OIC General Secretariat and the IDB held on 13 February 2006, it was agreed that this programme should be financed from the special fund to be established within the IDB and OIC, IDB, WHO organizations would undertake the preparation of the programme. The OIC/IDB Coordination Group will work out concrete proposals in this domain.

(48) **POA** II.2.3:

Commission the IDB Board of Governors to take necessary measures for ensuring a substantial increase in the Bank's authorized, subscribed, and paid-up capital, so as to enable it to strengthen its role in providing financial support

and technical assistance to OIC Member States, and strengthen the Islamic Trade Finance Corporation recently established within the IDB.

Progress/Action:

Concerning the 4th General Increase in the Authorized Capital Stock of the Islamic Development Bank and the call-in of the 70% of the Callable Capital under the 2nd General Capital Increase, the 31st Board of Governors of the IDB decided to increase the authorised capital of IDB from 15 billion Islamic Dinars to 30 billion Islamic Dinars and the subscribed capital from 6.9 billion Islamic Dinars to 15 billion Islamic Dinars. The Board also determined terms and conditions for subscription by IDB Member States to the increase of the subscribed capital of the Bank.

The 33rd ICFM urged all Member States to announce their contributions in the Bank's subscribed capital as decided by the IDB Board of Governors.

The 22nd Session of COMCEC, held in Istanbul, Turkey, on 21-24 November, hailed the signing of the Agreement on the establishment of the Islamic Trade Finance Corporation by 46 Member States, and appeals to the signatory States to expeditiously ratify the Agreement so that it may become operational. The agreement for establishing the Corporation has now entered into force. The first General Assembly of the Corporation will be held in Jeddah, Kingdom of Saudi Arabia on 24th February, 2007.

(49) **POA** II.2.4:

Urge the IDB to develop its mechanisms and programmes aimed at cooperation with the private sector and to consider streamlining and activating its decision-making process.

Progress/Action:

IDB is undertaking necessary action in this regard.

(50) **POA** II.2.5:

Urge the IDB and its institutions to promote investment opportunities and intra-OIC trade, and to conduct other feasibility studies to provide the necessary information to develop and promote joint ventures.

Progress/Action:

IDB will undertake necessary action in this regard.

It is worth mentioning that the Secretary General of the OIC and the President of IDB held many meetings with a view to coordinating efforts for the implementation of the OIC Ten-Year Programme of Action. An OIC/IDB Working Group has been established. This Working Group, co-chaired by the OIC Assistant Secretary General for Science and Technology and the Vice-President (Operations), IDB, will examine

some important issues concerning the implementation of the Programme and submit relevant proposals to the Secretary General of the OIC and the President of IDB.

3. Social solidarity in the face of natural disasters

(51) **POA** II.3. 1:

Islam advocates solidarity with, and assistance to, all the needy without discrimination, which requires the Islamic States to develop and adopt a clear strategy on Islamic relief action and support the trend towards cooperation and coordination between individual relief efforts of Islamic States and Islamic civil society institutions on the one hand, and international civil society institutions and organizations on the other hand.

Progress/Action:

ICCI, IDB, Islamic Solidarity Fund, Islamic Committee for International Crescent (ICIC) and Regional/National Relief Agencies and Organizations in OIC Member States will organize a meeting with a view to working out a strategy on Islamic Relief Action. The Secretary General of the OIC is working on ways and means for restructuring and strengthening the Islamic Solidarity Fund (ISF) with a view to providing it with more financial resources and making it more effective in the service of Member States and Muslim communities in non-Member States.

ICCI will work for the establishment of an international organization for Zakat in coordination with OIC, IDB and ISF and in consultation with OIC Member States.

International Corporation for Zakat has been set up with the concept of using Zakat as a tool to strengthen the economy of the OIC countries. The inauguration of this Corporation was held by the Prime Minister of Malaysia H.E. Abdullah Badawi in Malaysia on November 28, 2006. A branch has already been established in Benin.

(52) **POA** II.3.2.:

Help countries affected by these disasters to rebuild their buffer stocks.

Progress/Action:

Invite IDB, ICCI, ISF, ICIC and relief organizations and aid agencies in Member States to coordinate action in achieving this objective.

The 33rd ICFM agreed to organize a Donor Conference for the Republic of Niger. The State of Qatar offered to host the conference. The General Secretariat of OIC, the State of Qatar and the Republic of Niger are making preparations for Niger's Donors' Conference to be organized in Doha on 12 – 13 June, 2007.

Member States and OIC Institutions are called on to actively participate in this Conference.

4. Supporting development and poverty alleviation in Africa

(53) **POA** 2.4..1:

Promote activities aimed at achieving economic and social development in African countries, including supporting industrialization, energizing trade and investment, transferring technology, alleviating their debt burden and poverty, and eradicating diseases; welcome the New Economic Partnership for African Development (NEPAD), adopt to this end, a special programme for the development of Africa.

Progress/Action:

The 22nd Session of the COMCEC, held in Istanbul, Turkey on 21-24 November, 2006 requested the IDB to carry out in cooperation with the General Secretariat and SESRTCIC the necessary studies for the implementation of the Programme for African Development and Combating Poverty in OIC African Member States, and to submit a study to the 30th Session of the Islamic Commission for Economic, Cultural and Social Affairs.

Called upon the Secretary General, in coordination with the OIC institutions, namely the IDB, and the relevant sub-regional African organizations, to organize at the earliest convenience in West and Central Africa, meetings for the presentation of national, regional or sub-regional projects to be considered in the framework of the Ten-Year Programme of Action and the programme emanating from the Ouagadougou Declaration initiated by the IDB in favour of Africa as well as the sectoral programmes concerning energizing trade and investments in the cotton sector in OIC African Member States. The Third Expert Group Meeting on Cotton was held in Turkey from 8-13 October 2006, to further advance the negotiation in this domain.

SESRTCIC has initiated contacts with African Department of the IMF, the World Bank Institute and the Turkish Agency for Cooperation and Development on the subject. SESRTCIC is also preparing data on poverty index for OIC Member States, with particular reference to Africa. This data will be used for the preparation of recommendations in the domain of poverty alleviation.

(54) **POA** 2.4.2:

Call upon the Member States to participate in international efforts to support programmes aimed at alleviating poverty and capacity-building in the Least Developed Member States of the OIC.

Progress/Action:

The 4th Meeting of the Steering Committee for Capacity Building for Poverty

Alleviation was held in Brunei Darussalam on 29 – 30 March 2006. Projects concerning capacity building in palm oil industry in Sierra Leone, fisheries in Bangladesh, development of small enterprises and micro credit in Tsunami-affected Banda Aceh and exploration of oil and mineral resources in Mauritania are under implementation.

(55) **POA** 2.4.3:

Urge donor Member States to cancel bilateral and multilateral debts to low income Member States.

Progress/Action:

The OIC General Secretariat has communicated the Programme of Action to all Member States for consideration.

(56) **POA** 2.4..4:

Urge international specialized institutions and organizations to exert greater efforts to alleviate poverty in the Least-Developed Member States and assist Muslim societies, the refugees and displaced in the OIC Member States, and Muslim Minorities and Communities in non-OIC Member States; urge States to contribute to the World Fund for Solidarity and Combating Poverty.

Progress/Action:

The OIC experts level meeting for the implementation of the Brussels Programme of Action for LDCs held at the OIC Headquarters on 6-7 March 2006 is also a part of the implementation process of the provisions of the OIC 10-Year Programme of Action. Therefore, it is necessary to ensure an effective and speedy implementation of the recommendations adopted by this expert's level meeting. The expert group meeting has adopted important recommendations in this domain. These recommendations were submitted to the Session of the Islamic Commission for Economic, Cultural and Social Affairs and to the Thirty Third Session of the Islamic Conference of Foreign Ministers held in Baku, Republic of Azerbaijan in June 2006.

To ensure coordination for achieving objectives of the Millennium Development Goals, the Brussels Programme of Action for LDCs and the provisions of the OIC Ten Year Programme of Action relating to poverty alleviation.

During their coordination meeting held in Rabat, Morocco in July, 2006, OIC and UN institutions agreed to work out and implement projects for poverty alleviation in OIC Member States and for Muslim communities in non-Member States. The fund for poverty alleviation being established in IDB will also contribute in achieving the objectives set by the OIC Ten-Year Programme of Action in this domain.

A coordination meeting of OIC subsidiary organs, specialized and affiliated instiutions for the implementation of the OIC Ten-Year Programme of Action was

held in Jeddah, Kingdom of Saudi Arabia, on 4th March, 2007. The meeting discussed, among others, following issues:

- Expansion of intra-OIC Trade within the IDB in order to help address and alleviate poverty and provide for opportunities in OIC Member States.
- The OIC/IDB/WHO Programme for combating diseases and epidemics in OIC Member States.
- Supporting development and poverty alleviation in Africa.
- Action Plan for the cotton producing countries.

The meeting adopted the following recommendations:

1. To set up task force composed of COMCEC, IDB, ICDT, ICCI and SESTRCIC in order to examine ways and means to increase intra-OIC trade.

2. To build bridges and develop synergies between the Ten-Year Programme of Action and the Ouagadougou declaration.

3. To assist the forum on energizing trade and investment in cotton in OIC Member States to be held in Istanbul, Turkey in November, 2007.

4. Following actions are recommended with a view of facilitating coordination for the implementation of the OIC Ten-Year Programme of Action.

   a) To hold an annual Coordination Meeging of OIC Subsidiary Organs, Specialized and Affilitated institutions with a view of ensuring effective implementation of the OIC Ten-Year Programme of Action. The Secretary General will fix the date of this coordination meeting in consultation with the heads of OIC Subsidiary Organs, Specialized and Affiliated Institutions.
   b) Each OIC Subsidiary Organs, Specialized Institutions to designate one focal point for the implementation of the OIC Ten-Year Programme of Action. The focal points will be communicated to the OIC General Secretariat and to all other OIC Subsidiary Organs, Specialized and Affiliated Institutions.
   c) To hold an annual meeting of the heads of the focal points for the implementation of the OIC Ten-year Programme of Action on the sidelines of the ICFM. The OIC General Secretariat will prepare this meeting in consultation with the host country of ICFM and OIC Subsidiary Organs, Specialized and Affiliated Institutions.

5. To help the regular flow of information regarding the points agreed in Rabat at the OIC-UN meeting in July 2006.
6. Effective updating, in this regard, of the special website hosted by ISESCO.

7. It has been decided that a regular consultation and coordination mechanism will be established between the General Secretariat of the OIC and ISESCO to take up all the mutually relevant issues and prepare a bilateral programme of action.

The 34th Islamic Commission for Economic, Cultural and Social Affairs and the Senior Officials meeting preparatory to the 34th ICFM also examined progress made in the implementation of the OIC-Ten Year Programme of action and expressed their appreciation to the OIC General Secretariat, subsidiary organs, specialized and affiliated instiutions for contribution to the implementation of the programme.

The Islamic Commission and the Senior Officials meeting adopted appropriate recommendations to the 34th ICFM, which will be held in Islamabad, Islamic Republic of Pakistan, 15-17 May, 2007.

The Secretary General has established a task force and a steering committee in the General Secretariat with a view to ensure effective and speedy implementation of the OIC 10-year Programme of Action. Some Member States have also taken concrete measures for the implementation of the Programme of Action. The Secretary General appeals to all Member States and OIC institutions to take the necessary measures and provide the necessary support for the implementation of the OIC 10-year Programme of Action with a view to prepare the Islamic Ummah to face the challenges of the 21st Century. This report is submitted to Member States for consideration and appropriate action.

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