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### UPDATES ON ANKARA CENTRE ACTIVITIES

**GENERAL ASSEMBLY CONVENES IN JEDDAH**

The Twenty-eighth Session of the Islamic Commission for Economic, Cultural and Social Affairs of the OIC was held in Jeddah, Saudi Arabia, on 3-5 May 2005 with the participation of delegates from 36 member states and representatives of the OIC General Secretariat and its subsidiary, specialised and affiliated organs. The SESRTCIC was represented at the Session by Ambassador Erdinç Erdün, Director General, Mr. Jalel Chouchane, General Coordinator and Director of Publications, Mr. Coşkun Enginel, Director of Administrative and Financial Affairs, and Mr. Kamuran Malatyali, Acting Director of Economic and Social Research Department.

The Commission convened first in its capacity as the Joint General Assembly of the OIC subsidiary organs. As such, it reviewed the activities of the said organs during the elapsed year and considered their audited final accounts for the financial year 2003/2004 as well as their proposed budgets and work programmes for 2005/2006, as adopted by their respective Boards of Directors, and recommended their approval by the higher relevant OIC fora.

The Commission then took up its technical agenda whereby it reviewed, among others, the eight studies/reports presented by the SESRTCIC on: 1) economic developments and situation in the member countries, 2) developments in the international financial...
architecture, 3) EU implications for the OIC countries, 4) economic problems of the least-developed and landlocked OIC countries, 5) poverty eradication in the least-developed and low-income OIC countries, 6) the external debt situation in the OIC countries, 7) the prospects of establishing an Islamic common market, and 8) the stock exchange alliances.

After the deliberations, the Commission adopted a set of relevant recommendations to be presented to the Islamic Conference of Foreign Ministers. It also expressed its appreciation of the work accomplished by the SESRTCIC and encouraged it to continue with its excellent performance.

THE REGIONAL DIMENSION OF THE MONTERREY CONSENSUS

The SESRTCIC co-sponsored with the UN Economic and Social Commission for Western Asia (ESCWA) an experts group meeting on the theme “Regional Dimension of the Monterrey Consensus: Financing for Development”. The meeting convened in Beirut, Lebanon, on 6-8 June 2005 and was attended by experts from Jordan, Egypt, Iraq, Kuwait, Syria, Saudi Arabia, Yemen and Lebanon as well as the ESCWA, DESA (Financing for Development Office in the Department of Economic and Social Affairs of the United Nations), the World Bank and the Union of Arab Banks. The SESRTCIC was represented thereat by Mr. Kamuran Malatyalı, Acting Director of Economic and Social Research Department, who presented a paper entitled “Mobilising the International Resources: A Glance at the Situation in Selected ESCWA Countries”.

The participants made presentations on various topics related to the subject such as the “incorporation of the financing for development concept in the macroeconomic policy of the ESCWA countries”; “ESCWA’s role in improving the FDI data in the region”, the “mobilisation of domestic financial resources in the region” and the “enhancement of official development assistance to the Arab world from international and regional sources”. Country presentations were also made on specific topics such as “developments related to external trade in Jordan”, “role of fiscal policy reform in Yemen” and “sustainable debt management in Lebanon”.

After thorough deliberations, the participants agreed on the need for the developing countries to follow sound macroeconomic policies that would back up their progress towards achieving the aims of the strategy of financing for development and to call upon the developed countries to take debt relief measures as the high level of external debt constitutes an intricate challenge to development efforts. They also stressed the necessity to channel external lending to productive projects and infrastructure investments and take the necessary steps toward fiscal reform, domestic markets improvement and trade encouragement.

GROUNDWATER AND SOIL RESOURCES PROTECTION IN THE ARAB REGION

The SESRTCIC co-sponsored with the Arab Centre for the Studies of Arid Zones and Dry Lands (ACSAD) and the German Federal Institute for Geosciences and Natural Resources (BGR) a workshop on “Groundwater and Soil Resources Protection in the Arab Region”. 
Protection in the Arab Region”.

The Workshop was held in Amman, Jordan, on 27-30 June 2005 and attended by representatives from 16 Arab countries. Resource persons from ACSAD, BGR, SESRTCIC, the United Nations Educational, Scientific and Cultural Organisation (UNESCO) and the Arab Organisation for Agricultural Development (AOAD) also attended the event and made presentations thereto. Mr. Nabil Dabour, Chief of the Social Research Section, represented the SESRTCIC and presented a paper entitled “Water Resources and Their Use in Agriculture in the Arab Countries” in which he attempted to provide a clear picture of the state of water resources in the Arab countries with a special emphasis on the groundwater potentials and the urgent need to adopt water-saving technologies such as micro-irrigation techniques.

The Workshop proceeded in eight working sessions and a field trip to the Jordan Valley. Thirty-nine papers, fifteen of which were country studies, were presented on related subjects such as groundwater and soil vulnerability mapping; appropriate legislation for the protection of groundwater and soil resources, soil quality sampling and heavy metal analysis; and environmental aspects of soil protection.

The Workshop provided a useful opportunity to the participants to exchange the experiences of their countries in dealing with the various aspects of the issue and agreed on a set of recommendations aiming at developing a guideline for monitoring, protecting, and sustainably using the groundwater and soil resources in the Arab region.

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**OIC NEWS**

**TRADE AND INVESTMENT EXPANSION IN THE COTTON SECTOR IN THE OIC MEMBER STATES**

Within the framework of the implementation of an emergency programme to extend assistance to the OIC West African cotton exporters, a forum on “Trade and Investment Expansion in the Cotton Sector in the OIC Member States” was held on 18-19 April 2005 in Ouagadougou, Burkina Faso.

The Forum was attended by delegates from 24 countries and representatives from the African Development Bank (WADB) and the OIC General Secretariat and its related organs. The Centre was represented thereat by Mr. Murat Ilkin, Researcher.

The Forum was organised in three workshops on: a) Cotton Processing in the

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OIC Member States: Constraints and Opportunities; b) Financing Mechanisms and Instruments of Cotton Processing in the OIC Member States; and c) Promotion of Partnership in Cotton Processing in the OIC Member States. During the deliberations, the participants focused mainly on issues related to the alternative ways and means of enabling cotton production and processing on a sustainable basis by the OIC member states; implementing cotton processing projects and cooperation for intra-OIC technical assistance and technology transfer; encouraging the establishment of investment and support funds devoted to the cotton-textile sector by the OIC and its specialised institutions; creating joint enterprises between the economic operators of the OIC member states in the cotton processing sector and organising business forums on the sector in the OIC countries. They also decided to set up a follow-up committee comprising Burkina Faso, Cameroon, Chad, Egypt, Syria, Pakistan, Turkey, the UEMOA, the WADB and the OIC General Secretariat and its related organs that should meet at least once a year.

THE PERMANENT FINANCE COMMITTEE APPROVES OIC BUDGETS

The Thirty-third Session of the Permanent Finance Committee of the OIC convened in Jeddah, Saudi Arabia, on 7-11 May 2005 with the participation of thirty-eight member countries in addition to the General Secretariat of the OIC and its five subsidiary organs. The Ankara Centre was represented thereat by H.E. Ambassador Erdinç Erdün, Director General, Mr. Jalel Chouchane, Assistant Director General and Director of Publications, and Mr. Coskun Enginel, Director of Administration and Finance Department.

At the inaugural session, H.E. the Secretary General of the OIC delivered a statement in which he gave a brief account of the current situation of the Muslim world and pointed out the urgent need to restructure the OIC and provide it with the necessary means that would enable it to strengthen the Ummah and reinforce its stand against the multiple challenges it faces.

The Committee then took up its agenda items whereby it reviewed the audited final accounts of the OIC General Secretariat and the subsidiary organs for the financial year 2003/2004, and endorsed their proposed budgets for the financial year 2005/2006 for onward submission to the Conference of Foreign Ministers. It also considered the mandated study to the SESRTCIC on the recalculation of a new scale of contributions of member states to the annual budgets of the General Secretariat and the subsidiary organs. After lengthy discussions, the Committee praised the Centre for the professionalism and objectiveness with which it prepared the study and decided to submit the latter to the Islamic Conference of Foreign Ministers for further consideration.

The Committee also exhorted the member countries to clear their outstanding arrears and pay their contributions on time in order to provide the adequate financial support to the OIC that would enable it to carry out its mandate without impediments.
The Twenty-first Meeting of the Follow-up Committee of the Standing Committee for Economic and Commercial Cooperation of the Organisation of the Islamic Conference (COMCEC) convened in Istanbul on 10-12 May 2005 with the participation of eleven member countries of the Committee, the OIC General Secretariat and its subsidiary, affiliated and specialised organs. The Centre was represented at the meeting by its Director General Ambassador Erdinç Erdün, and Mr. Kamuran Malatyalı, Acting Director of Economic and Social Research Department.

The Committee reviewed and discussed the background report of the OIC General Secretariat which gave full account of the various activities undertaken by the OIC member states and institutions in the
implementation of the resolutions of the COMCEC and the different chapters of the OIC Plan of Action to Strengthen Economic and Commercial Cooperation among its Member Countries. The delegates also discussed the reports presented by the concerned OIC organs on the promotion of intra-OIC trade, the outcome of the first round of trade negotiations under the Trade Preferential System of the OIC, the private sector meetings, the Islamic trade fairs, the first Islamic tourism fair and the cooperation between the stock exchanges of the OIC member countries.

After the deliberations, and in the light of the feedback provided by the above mentioned reports, the Committee finalised the draft agenda of the Twenty-first Session of the COMCEC, scheduled for 22-25 November 2005, and proposed a number of themes for the exchange of views session to be held during the said session.

PROMOTING THE ROLE OF TOURISM IN ECONOMIC COOPERATION AMONG OIC MEMBER COUNTRIES

The Twentieth Session of the COMCEC, held in November 2004, decided that the theme of the exchange of views during its Twenty-first Session, to convene in November 2005, be “The Role of Tourism in Economic Cooperation among the OIC Member States”. In anticipation, it entrusted the related OIC organs the task of organising a workshop on the said theme to provide the ministers with the necessary input that would enrich their discussions and widen the scope of their exchange of views.

The Workshop was held in Casablanca, Morocco, on 14-15 June 2005 under the auspices of the Ministry of Tourism, Handicrafts and Social Economy of the Kingdom of Morocco and in collaboration with the Islamic Centre for the Development of Trade (ICDT) and the Islamic Development Bank. It was attended by representatives from fifteen member countries, the World Tourism Organisation, the UNCTAD and the OIC General Secretariat and its related subsidiary and affiliated organs. The SESRTCIC was represented by Mr. Nabil Dabour, Chief of the Social Research Section.

The Workshop proceeded in four working sessions. The first, entitled “Tourism in the World: New Trends and Challenges”, was devoted to the presentations of the UNCTAD and the WTO. The second, entitled “Tourism in the OIC Member Countries”, was devoted to the presentations of the OIC organs, namely ICDT, SESRTCIC, ISESCO and IRCICA. On the other hand, the third and fourth sessions were devoted to the presentation and discussion of the national experiences of some participating member countries, namely Malaysia, Morocco, Saudi Arabia, Tunisia and Turkey.

After the general debate, the participants adopted a set of recommendations aiming at developing the tourism sector in the OIC member countries and enhancing their cooperation in this vital field of economic and social activity for submission to the ministers at the Twenty-first Session of the COMCEC.
OIC COUNTRIES PREPARE FOR THE SIXTH WTO MINISTERIAL CONFERENCE

In anticipation of the WTO Sixth Ministerial Meeting, to be held on 13-18 December 2005, the Islamic Development Bank organised in Geneva on 15 June 2005 a consultative meeting of the permanent missions of the OIC member countries accredited to the WTO. The meeting was attended by delegations from 33 member countries, the International Trade Centre, the World Trade Organisation, the Permanent Observer Mission of the OIC to the UN Office in Geneva and the Standing Committee for Economic and Commercial Cooperation of the OIC Countries (COMCEC). The Centre was represented thereat by Mr. Murat Ilkin, Researcher.

The objective of the Meeting was to discuss the current state of play on the different trade negotiations tracks and explore future actions the OIC and other developing countries may take at the next phase of negotiations in order to address their potential concerns in the related areas.

Six presentations were made during the meeting on specific issues of particular importance to the OIC countries: Special and Differential Treatment and Implementation; Agriculture Negotiations; Non-Agricultural Market Access Negotiations; Rules Negotiations; Trade Facilitation Negotiations; and an overview of the Doha Work Programme.

After detailed discussions, the participants recommended, among others, that the OIC and developing countries obtain special and differential treatment provisions to be able to achieve substantial improvements in market access. They were also of the view that the developing countries should work on modalities for developing an appropriate formula for tariff calculation that would be in the interest of all parties. Concerning agriculture, the participants agreed that bilateral negotiations were not, by themselves, sufficient and that engaging in multilateral negotiations was also important for the OIC and the developing countries for the conclusion of a balanced outcome of the Doha Round negotiations.

OIC GRANTS OBSERVER STATUS TO THE RUSSIAN FEDERATION

The Thirty-second Session of the Islamic Conference of Foreign Ministers convened in Sana’a, Republic of Yemen, on 28-30 June 2005. The agenda of the Conference included a wide range of issues of particular importance to the Islamic Ummah, particularly with regard to the reform of the United Nations, the expansion of the Security Council and the representation of the Islamic world therein, and combating the insidious campaign against Islam and Muslims in various Western media.

The Conference addressed also a large number of other issues including the situation in Palestine and the Arab-Israeli conflict, the situation in Iraq, Afghanistan, Somalia, Sudan and Cyprus, the peace process between India and Pakistan, the problem of refugees in the Islamic world, combating terrorism and the right of Muslim minorities in non-Islamic countries.

The Conference dedicated a considerable part of its proceedings to economic affairs where the attention was focused on the
economic situation in the Member States and the economic problems faced by the landlocked and least-developed member countries, the promotion of the multilateral trade system, the establishment of an Islamic Common Market and the economic assistance to some member countries stricken by drought and natural disasters as well as capacity building to reduce poverty in the member countries.

The Conference discussed the ongoing restructuring process of the OIC General Secretariat and reviewed the activities of its subsidiary, specialised and affiliated organs. It also approved their respective budgets for the financial year 2005/2006 and urged all member countries to pay their assigned shares thereto. Within this context, the Conference decided to re-circulate to the member countries the study undertaken by the SESRTCIC on the new scale of contributions for further consideration and agreed on a number of measures to be applied on a progressive basis to the defaulting member countries. On the other hand, the Conference decided to clear the outstanding arrears of the Republic of Iraq to the budgets of the General Secretariat and the subsidiary organs and to decrease the share of contribution of the Islamic Republic of Afghanistan from 1 to 0,5%.

The Conference adopted some amendments to the OIC personnel regulations and granted observer status to the Russian Federation. It also welcomed the offer of the Republic of Azerbaijan to host the next session at a date to be determined later.

Mr. Jalel Chouchane, Assistant Director General a.i., represented the Centre at the Conference.

OTHER NEWS

SOUTH-SOUTH COOPERATION

The Fourteenth Session of the High Level Committee on South-South Cooperation was held at the United Nations Headquarters in New York on 31 May-3 June 2005 under the auspices of the United Nations Development Programme (UNDP). Representatives of the member countries of the UNDP, the G-77 and China, the European Union (EU), the United States, Canada and various United Nations agencies and international, regional and sub-regional organisations attended the session. The SESRTCIC was represented thereat by H.E. Ambassador Erdinç Erdün, Director General.

The meeting provided an opportune occasion for participants to examine the significance of South-South approaches to development as the world community readies itself for the September Millennium Review Summit where it should renew its commitment to achieving the Millennium Development goals by 2015. The participants also discussed issues such as the importance of South-South and triangular cooperation as well as the relevance of South-South cooperation to the achievement of the Millennium Development Goals. They also exchanged views on the appropriate strategies and concrete actions needed to strengthen innovative South-South and North-South partnerships for development and agreed on the provisional agenda of the Fifteenth Session of the High level Committee.
CENTRE’S AGENDA FOR THE THIRD QUARTER OF 2005

September
13-15 September 2005, Regional Seminar on Trade and Transport Facilitation in the ESCWA East Mediterranean Countries”, Cairo, Egypt.

October
8-17 October 2005, Twenty-sixth Session of the Finance Control Organ, Jeddah, Saudi Arabia.

November
28-29 November 2005, Twenty-eighth Meeting of the Board of Directors, Istanbul, Turkey.

ANKARA CENTRE PUBLICATIONS

Latest Publications
Statistical Yearbook of the OIC Countries, 2005.

Technical Documents
International Tourism in the OIC Countries: Prospects and Challenges, presented to the Workshop on “The Role of Tourism in the Promotion of Economic Cooperation among the OIC Countries”, Casablanca, Morocco, 14-15 June 2005.

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*World Development Indicators*, 2005.

WORLD BANK POLICY RESEARCH WORKING PAPERS (PRWP)

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PRWP; 3540/Brown, C.P. (Mar. 2005). *Trade remedies and World Trade Organisation dispute settlement: Why are so few challenged?*

PRWP; 3551/Palmade, V. (Mar. 2005). *Industry level analysis: The way to identify the binding constraints to economic growth.*

PRWP; 3554/Aubert, J.E. (Apr. 2005). *Promoting innovation in developing countries: A conceptual framework.*


PRWP; 3593/Klapper, L. (May 2005). The role of factoring for financing small and medium enterprises.


PRWP; 3616/Anderson, K., Martin, W. and Van der Mensbrugghe, D. (Jun. 2005). Would multilateral trade reform benefit Sub-Saharan Africans?

PRWP; 3617/Clarke, G.R.G. (Jun. 2005). Beyond tariffs and quotas: Why don’t African manufacturers export more?


PRWP; 3627/Kenny, C. (Jun. 2005). Reforming the posts: Abandoning the monopoly-supported postal universal service obligation in developing countries.

**INTERNATIONAL ORGANISATIONS AND OTHER SOURCES**


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