

Message
of H.E. Prof. Ekmeleddin Ihsanoglu, Secretary General of the OIC to the
Consultative meeting of the OIC Institutions for the implementation of
the Road Map for Enhancing Intra-OIC Trade
(11-12 February, 2009, Casablanca, Kingdom of Morocco)

Bismillahi Arrahmani Rahim

**Dr. Allal Rachdi, Director General of the Islamic Centre for
Development of Trade,**

**Dr. Waleed AL-WOHAIB, Chief Executive Officer of the International
Islamic Trade Finance Corporation,**

Distinguished participants,

Ladies and Gentlemen,

Assalamu Alaykum wa-Rahmatullahi wa-Barakatuhu

I am happy to address this august gathering of the OIC Institutions operating in the economic field. The organization of this meeting, once more, reflects the commitment of the OIC Institutions to promote activities aimed at energizing trade and investment among the OIC Member States. Moreover, this meeting is taking place at a moment when both developed and developing countries, including some OIC Member States, have been seriously affected by the recent developments in the global economy, such as rise in food and energy prices, as well as the global financial crisis. In the light of these challenges this meeting offers a most appropriate platform for OIC Institutions operating in the economic field to exchange views and consider strategies.

Distinguished participants,

Trade among nations is recognized as the engine of economic growth and there is a close correlation between the growth in trade and the growth in output, each reinforcing the other. Therefore, the OIC Ten-Year Programme of Action adopted by the Third Extraordinary Session of the Islamic Summit Conference in 2005 prioritized the strengthening of the economic and commercial cooperation among Member States. It also mandated the COMCEC to increase the level intra-OIC trade from 14,5% in 2004 to 20% in 2015. In this context, several positive developments have taken place in recent years.

Firstly, there has been a steady increase in intra-OIC trade in the course of recent years. Intra-OIC trade has risen to 16.44% in 2007 from its 14.5 % level in 2004. Secondly, concrete progress has been made in establishing a trade preferential system among OIC countries (TPS-OIC). Currently, there are 21 Member States participating in the Trade Negotiating Committee, the authorized body under the COMCEC in charge of conducting trade negotiations. Two very important agreements, namely the Protocol on the Preferential Tariff Scheme for TPS-OIC (PRETAS) and TPS-OIC Rules of Origin, have been finalized and opened to the signature and ratification of the Member States. As of today, fifteen Member States have signed and 6 have ratified the PRETAS. Also, 11 countries have signed and 3 have ratified the TPS-OIC Rules of Origin.

When the PRETAS becomes effective, a new era will be heralded for intra-OIC trade, because this framework forms the basis for the realization of our goal: creating a free trade zone which covers all Islamic countries. As a result, we will be able to harmonize the rules of trade and put in place a common trade system, and we will all come to realize that matters will be easier from then onwards, thus, laying down the foundations of deeper economic cooperation among OIC Member States.

Ladies and Gentlemen,

Increasing intra-OIC trade is crucial to secure higher economic growth and prosperity of our countries. The many obstacles and challenges facing OIC intra-trade are well diagnosed and these have been addressed in different meetings and platforms. The last meeting devoted to this issue was held in Ankara, Republic of Turkey on 5-6 July, 2008, which made concrete and specific recommendations in the form of Road Map for Enhancing Intra-OIC Trade. The Roadmap places emphasis on trade financing, trade promotion, trade facilitation, trade capacity building and promoting and developing strategic commodities originating from OIC Member States. In this regard, I am certain that with effective implementation of the Roadmap we can achieve not only the target of 20% by 2015, but even a higher level.

On this occasion, I would like to note that global financial crisis, which is affecting the main advanced economies most acutely, may also present to OIC Member States some opportunities, especially for increasing intra OIC trade. Because of economic recession in the US, European Union, Japan and other developed countries, the OIC Member States' trade with these countries has begun to decline. But the losses of this decline can be offset by a boost in trade with other Members of the OIC. Thus, fostering greater trade cooperation among Member States would serve as a catalyst to stimulate the various forms of integration among them enabling them to tackle efficiently the challenges facing Muslim Ummah.

Before concluding, I would like to emphasize that we are gathered here because we share a common commitment to promote trade among our countries, which is a prerequisite for broader intra-OIC trade. This goal is unquestionably attainable and one to which the OIC is deeply committed.

I am confident that the deliberations you will hold and the recommendations you will adopt will be highly instrumental in further improving the work and better targeting the activities of enhancing the partnership among our countries, as well as institutions.

I wish you successful deliberations and, I look forward to the outcome of this important meeting.

Thank you for attention.

Wassalamu Alaykum wa-Rahmatullah wa-Barakatuh