

The 15th Council of Ministers

Message of H.E. Prof. Ekmeleddin Ihsanoglu, Secretary General of the Organization of the Islamic Conference (OIC)

(Astana, Republic of Kazakhstan, 01 October, 2005)

Annex-V

Bismillahir Rahmanir Rahim

*Mr. Chairman,
Excellencies,
Distinguished delegates,*

Assalam Alikum Warahamatullahi Wabarakatuh,

I would like to congratulate the Government of the Republic of Kazakhstan for hosting the Fifteenth Council of Ministers of Economic Cooperation Organization (ECO).

I would also like to extend my greetings to the Governments of ECO Member States.

In today's world, while globalization and liberalization dominate the world economic relations, regionalization has also gained momentum as an indispensable form of increasing trade relations among the countries. The role of regional organizations in such a global framework is gaining an ever increasing importance. In recent years, especially parallel to the creation of huge economic blocs comprising developed areas of the world, like the European Union, NAFTA and APEC, economic integration has become a crucial phenomenon for the developing countries. The formation of regional economic groupings contributes to enlarge local markets so as to gain competitiveness at the world scale. In such an environment, the role of the Economic Cooperation Organization in promoting economic and commercial cooperation among its Member States becomes critically important as leverage for its Member States to deal with the present global economic conditions.

Regional cooperation is becoming the mainstay of efforts conducive to economic prosperity and stability, in particular, for the developing economies. This is the reason why the OIC is pursuing a policy of encouraging the formation of such groupings among the Islamic countries. In this respect, I would like to congratulate the ECO for which it has achieved for its member countries towards the realization of this goal.

Since all its members are also members of the OIC, the success of ECO is the success of the OIC. This common denominator helps develop excellent relations between our two organizations. Indeed, the Memorandum of Understanding signed between us on 30 September 1994 aims at strengthening cooperation and collaboration between our two sister Organizations for the benefit of their members.

Main objectives of our organizations are similar to each other: promoting and consolidating economic, technical and cultural cooperation and enhancing solidarity among the Member States. In this respect, they aim at promoting and developing trade and investment in Member States in order to boost their economies and improve the living conditions of their people.

Since its inception in 1969, the Organization of the Islamic Conference aims at strengthening cooperation among its Member States, particularly in economic and commercial fields. In early years, the OIC completed its initial institutionalization by establishing various subsidiary organs like Islamic Centre for Development of Trade (ICDT), and specialized institutions like Islamic Development Bank (IDB), and affiliated institutions like the Islamic Chamber of Commerce and Industry (ICCI) for private sector, in addition to the formation of its General Secretariat. Under the OIC umbrella, ICDT organizes trade fairs at every two years and ICCI private sector meetings every year.

Furthermore, various agreements were concluded to promote economic cooperation such as the General Agreement on Economic, Technical and Commercial Cooperation, the Agreement on Promotion,

Protection and Guarantee of Investments and the Framework Agreement for the Establishment of a Trade Preferential System (TPSOIC).

The OIC Plan of Action to Strengthen Economic Cooperation among Member States is being implemented by the Standing Committee for Economic and Commercial Cooperation (COMCEC) under the Chairmanship of the President of the Republic of Turkey. The OIC and ECO are being cooperating within the framework of the COMCEC.

Establishment of an Islamic Common Market among the Member States is a long-term objective of the OIC. To this end, the OIC encourages and reinforces sub-regional and regional economic groupings. It will be realized through a step-by-step approach. It requires the implementation of the agreements, the OIC Plan of Action for Strengthen Economic and Commercial Cooperation and the removal of trade barriers so as to provide the free flow of goods and services. In this context, the Framework Agreement for the Establishment of a Trade Preferential System (TPSOIC) entered into force in 2004. The first round of trade negotiations were hosted by the Government of the Republic of Turkey in Antalya and successfully concluded with participation of sixteen OIC Member States. Concerned countries will sign the Protocol on the Preferential Tariff Scheme for TPSOIC (PRETAS) during the next Ministerial Session of the COMCEC scheduled to be held in Istanbul on 22-25 November this year.

To increase trade exchanges among our countries, to receive an adequate share from the world trade and to meet development aspirations of our nations, we need to promote cooperation among our countries.

We will spare no effort to develop relations with the ECO. We will continue to work closely with the ECO to achieve the noble goals of our two organizations and to strengthen the Islamic solidarity and ensure the welfare of all our member countries.

Wa Salam Alaykum Wa Rahmatullah Wa Barakatuh.