

DHAKA DECLARATION 1999

1. We, the Heads of State and Government of Bangladesh, Egypt, Indonesia, Iran, Malaysia, Nigeria, Pakistan and Turkey met in Dhaka on 1-2 March 1999 for the Second D-8 Summit.

2. We reaffirmed our commitment to the principles, purposes and objectives of D-8 and pledged to continue to work toward achieving them through the implementation of projects and other programmes of cooperation that are of vital interest to our peoples.

3. We reaffirm that D-8 forum will be consistent with the relevant resolutions of the UN General Assembly on economic and technical cooperation among developing countries, and on strengthening of South-South Cooperation. The D-8 is a forum of functional cooperation, which would exploit the elements of comparative advantage, complementarity, economies of scale and commonality of interests so that real benefits can accrue to our peoples.

4. We reviewed the developments in the world economy since we last met in Istanbul in June 1997. The global financial crisis, in particular the severity of the crisis in Asia, has highlighted weaknesses in the global economic and financial system. It also provided a clear message that for the effective functioning of the market economy, governments must play a positive role in the development and management of the international financial institutions, systems and infrastructure. While recognising the responses by the international institutions to the crisis, we are concerned over the lack of progress in terms of concrete measures to implement many proposals that have been made to reform and strengthen the international financial system. There is a compelling need for reforms to guard against possible recurrence of such crises as well as new threats of instability and protectionism. Such reforms should be a global effort with the participation of developing countries, so that diverse experiences, problems and circumstances of countries at different stages of development are taken into account.

5. We considered globalisation not as an abstract process but a reality that affects the lives of all, and to which all countries must adapt. Globalisation, in our view, has great potential as an engine of development and growth and has yielded considerable benefits in the decade of 1990s. While we acknowledged the benefits of globalisation, it is important to recognise its accompanying risks of destabilisation and increased inequality between developed and developing countries, particularly the Least Developed ones, and within countries. There is need to address all aspects of globalisation, including financial liberalisation, and to establish appropriate safeguards to minimise the risks and to ensure that benefits of globalisation are shared by all.

6. We decided to consult with relevant international institutions both to minimise the effects of the global financial crisis and also to contribute to efforts aimed at reforms in the international financial system in cooperation with other developing

countries, whenever appropriate. We also support the call for greater transparency and disclosure. This should also apply to all those in the public sector as well as the private sector, particularly large market players, such as hedge funds.

7. We agreed on the imperative of sustainable development, which essentially comprises the triad of economic development, social development and environmental protection.

8. We recognise trade as a vital area of international economic activity. An equitable global trading regime, while benefiting both developed and developing countries should take fully into account the conditions of developing countries through appropriate measures. The emergence of a rule-based trading regime, as institutionalised in the WTO, is a welcome step towards the effective and beneficial integration of countries into the global economy.

9. We welcome the decision of the Second WTO Ministerial Meeting in Geneva last year to work towards improving coherence in international economic policy making. At the same time, we urge that the Third Ministerial Meeting to be held later this year, decide on the work programme to achieve overall balance of interests of all members of the WTO on concrete measures designed to help countries that are particularly disadvantaged in the global marketplace.

10. The special concerns of countries that are constrained by structural weaknesses and also have to contend with tariff and non-tariff barriers when seeking access to markets in developed countries should be meaningfully addressed. We emphasise the need to provide adequate resources to developing countries for investment and institutional capacity building to enable them to better deal with the challenges of a globalised economy and open trading system. We urge developed countries and the WTO to undertake a definitive technical assistance programme to developing countries that have special problems to enable them to meet their commitments. The full implementation by developed countries of the special and differential provisions in all spheres provided for in the Agreements should be pursued. We also underscore the need for developed countries to implement their earlier commitments in accordance with the Uruguay Round Agreements.

11. We are of the view that the respective roles of the government and the private sector are complementary, and that there can be synergy from close cooperation between the two. We recognise the growing importance of the private sector in the development process and the fact that a vigorous, dynamic private sector is indispensable for sustained growth. The governments have a vital role to play in improving social conditions and expanding social opportunities by appropriate measures in key-sectors. The governments must continue to pursue sound and stable macro-economic policies.

12. Recognising the importance of greater understanding and exchanges between different cultures, we welcomed the idea of designating the year 2001 as the Year for Dialogue among Civilisations which was adopted at the 53rd UN General Assembly at the initiative of the President of Iran.

13. We emphasised the importance of access to world markets, greater inflows of foreign investments and larger external assistance and alleviation of foreign debt burden to supplement our own efforts at development in all its aspects.

14. We recognise that trade among the D-8 is a most promising area of cooperation, the potential of which is yet to be fully tapped. In this context, we directed the Commission to further explore the possibilities of promoting trade among the D-8 member countries, among others, through the convening of a meeting of Ministers of Commerce/Trade and Economy at an early date and explore those possibilities.

15. Given the pivotal role of the private sector in the promotion of cooperation among the D-8, we are of the view that simultaneous or parallel meeting of a Business Forum, involving entrepreneurs of the D-8 member-states, with D-8 Summits could help develop the much needed partnership for development. We appreciated the initiative of Egypt to convene simultaneously with our next Summit in Cairo, the First D-8 Business Forum. In preparation for the Forum, the participants should be encouraged to come with specific proposals for expanding trade and setting up joint ventures.

16. We also instructed the D-8 Commission to study in cooperation with the private sectors, the possibilities of convening a meeting of businessmen before the next summit and the possibility of establishing a Federation of D-8 Chambers of Commerce and Industries.

17. We commended all the D-8 Governments for their initiatives in regard to the priority areas of cooperation and the projects assigned to them. We invite the member countries to expedite the implementation of the priority projects so that these could be functional at the earliest possible time. In selecting projects in various sectors, we should adopt a pragmatic and flexible approach aimed at the optimum utilisation of the available resources and capabilities. In this regard, we underlined the need of applying the new modality for implementing project of cooperation among the D-8 which would allow for their execution by other member countries, in consultation with the coordinating countries. The member countries should also indicate as far as possible their priorities in relation to each sector to facilitate the selection of suitable projects and programmes for cooperation.

18. We welcomed the ongoing work on Trade, coordinated by Egypt, in the endeavour to set up an International Marketing and Trading Company (IMTC) as well as in developing other trade facilitating measures such as trade financing, customs simplification and mobility of business people aiming at enhancing trade among the D-8 member countries. In this regard, we pledge to direct the competent authorities in our respective countries to take all possible measures to strengthen the exchange of information, trade support and shipping, for the promotion of trade within the D-8. In this respect, we welcome the offer by Egypt to host the meetings on trade and trade related matters, the first of which will be held in April 1999. We also welcome the offer of Malaysia to host a Seminar for officials of the D-8 countries in the area of trade facilitation in Kuala Lumpur in 1999.

19. We are assured by Turkey that the design and production of the agriculture aircraft prototype should be completed in the last quarter of 1999. The market potential for the aircraft needs to be determined for any changes to be made on the design of the aircraft to make it a multipurpose civilian aircraft in the future. The multifunctional usage concept of the aircraft needs also to be determined in line with the requirements of the member countries. Based on these requirements, necessary engineering change studies should commence on the prototype aircraft. Serial production of the aircraft will start according to the work-sharing principles already agreed upon.

20. We expect the Industrial and Technological Data Bank Network coordinated by the Islamic Republic of Iran to be functional by July 1999. In this respect, we urge the member countries to expedite the implementation of their part, so that the project could be operational in time and hope that all countries will utilise this service to enhance cooperation among themselves. We should also encourage the member countries to freely use Internet and e-mail service for the exchange of information between their respective networks or centers of excellence in each sector.

21. We also expect the national aquaculture information and monitoring centers to start functioning by July 1999 and that the Directory of Scientists, Experts, Institutions and Registered Businesses in the private sector pertaining to aquaculture, being compiled by Pakistan, be completed as soon as possible.

22. We appreciate the initiative of Pakistan to organise a workshop by mid-1999 to identify projects in the agricultural sector with special reference to food security.

23. We directed the Commission to follow-up expeditiously on the implementation of the priority project on Rural Industrialization, decided by the Sixth Meeting of the D-8 Commissioners, based on the conclusion of the report of the Working Group on Rural Development that was organized by Bangladesh. We expect Bangladesh and Egypt to finalize the arrangements for the project.

24. We welcomed the offer by Indonesia to host a joint meeting of experts and decision makers on social safety nets in the year of 1999 as recommended by the Workshop on Poverty Alleviation and Human Resources Development held in Jakarta in 1998 and adopted by the Sixth Meeting of the D-8 Commissioners.

25. We also welcomed the commitments by Nigeria to convene a meeting of the Working Group on Energy in the near future. In this context, we appreciate the readiness of Indonesia to organise, in coordination with Nigeria, training programmes on micro-hydro power plants, solar systems for isolated villages and small-scale mining.

26. We instructed the Commission to begin work on result-oriented projects, as proposed by Turkey, in the field of Environment. This is an area which involves governments, private sectors and other interest groups.

27. We also instructed the Commission to study the proposal of D-8 Technical Consulting Association as a result-oriented project which was first proposed by the Islamic Republic of Iran before the Sixth Meeting of the D-8 Commissioners.

28. We appreciate the measures taken by Turkey, as the Coordinating Country, for the Health sector to initiate cooperation among the member countries in AIDS Prevention and Control Programmes.

29. We endorsed the proposal to enhance the capacity of an existing re-takaful company to meet the needs of the D-8 member countries. In this connection, we welcomed the Malaysia's offer to convene a workshop in June this year in Kuala Lumpur to draw up the modus operandi and to formulate appropriate strategies to promote takaful and re-takaful. In respect of training, we further welcomed the Malaysia's offer to conduct courses in conventional insurance and takaful as well as to conduct training programmes, seminar and attachment programmes in Islamic banking and finance, to enhance cooperation amongst the member countries.

30. We agreed on the need to create a permanent unit (coordinating center) to fulfil conference and secretarial services and instructed the Council of Ministers to finalise this matter before the end of 2000. We expressed deep appreciation for the generous offer of Turkey to continue to provide facilities for the temporary Secretariat of the D-8 in Istanbul. We deeply value the excellent services that have been provided by this small Secretariat and the current Executive Director. We are of the view that this has proven invaluable in following-up on our discussions and decided that the mandate of the Executive Director be extended till the year 2000.

31. We express our deepest appreciation to the President and the Government of Turkey for providing able and effective leadership of the D-8 Group during the period of Chairmanship of Turkey.

32. We extend our appreciation to the people and Government of the People's Republic of Bangladesh for their warm hospitality and the excellent arrangements made for the successful holding of the Second D-8 Summit.

33. We welcome with appreciation the generous offer of the Government of Egypt to host the third D-8 Summit in the year 2001 in Cairo.