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D-8 makes good progress in Islamic finance, aviation

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THE group of eight Islamic developing countries (D-8) has made significant progress in its first set of projects, particularly in Islamic finance and aviation, Foreign Minister Datuk Seri Syed Hamid Albar said.

He said the response to Islamic insurance or Takaful has been so positive, for example, that D-8 members have requested Malaysia to give a presentation on Islamic reinsurance or re-Takaful at the next D-8 Summit. Briefing reporters in Kuala Lumpur yesterday on the upcoming summit to be held in Dhaka, Bangladesh, Syed Hamid said D-8's aviation project has already developed a prototype agriculture aircraft.

"We will have the first test flight in September this year. Malaysia can take advantage of this project as we hope to become a service centre for all types of aircraft," he said.

Syed Hamid said Malaysian aerospace companies will be able to supply components and parts to the project, including tyres, aircraft frame and avionics.

At the first D-8 summit in Istanbul in 1997, members agreed on six priority projects for implementation, and each country was assigned to coordinate a particular sector.

Syed Hamid said D-8 members purposely selected only a few projects so that the group remains a catalytic forum which is project-based and not just a "talk shop".

"The D-8 focuses on specific projects that are practical and realisable, and which should benefit all OIC countries."

Malaysia was assigned finance, banking and privatization (Takaful); Turkey industry (agricultural aircraft); Egypt trade (trade facilitation); Indonesia poverty alleviation (human resource development); Pakistan agriculture (aquaculture); and Iran telecommunications (data bank network).

Syed Hamid said with technical assistance from Malaysia, Takaful companies were established in Indonesia, Brunei, and Sri Lanka, the latter not even an Organisation of Islamic Conference (OIC) member country.

The Egypt-led trade facilitation project, meanwhile, has looked at simplifying customs procedures and travel arrangements, as well as organising trade exhibitions/fairs and trade seminars.

Malaysia's trade with D-8 countries amounted to only 3.2 per cent (RM17 million) of total trade (RM515 billion) in 1998, and therefore represents a lot of potential for improvement, Syed Hamid said.

Under poverty alleviation, an action plan on exchange of experts, training and apprenticeship, research and information exchange has been drawn up and will be discussed at the summit.

Syed Hamid said D-8 countries have established D-8 aquaculture information and monitoring centres in their respective capitals, and have published a directory of aquaculture experts, scientists, institutions and capabilities in D-8 countries.

"Aquaculture was selected given the fact that it has potential to assist member countries in their efforts to alleviate poverty, provide employment, improve nutrition, ensure food security, and increase foreign exchange earnings," he added.

Syed Hamid said Malaysia has agreed to offer training to the D-8 countries in the area of aquaculture under the Malaysian Technical Cooperation Programme.

This year's D-8 summit will be preceded by meetings of senior officials from February 25 to 26, and foreign ministers on February 27. Prime Minister Datuk Seri Dr Mahathir Mohamad will attend the summit.

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