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PM wants see D-8 become effective, influential

Farush Khan in Dhaka

SATISFIED with the outcome of the second Development Eight (D-8) summit which ended here yesterday, Datuk Seri Dr Mahathir Mohamad said he wanted to see the grouping become an effective and influential forum.

The Prime Minister said he really hoped the D-8 would play a significant role in enabling member countries establish closer contact with one another.

The D-8 should enable members to discuss their future and problems bilaterally and multilaterally, Dr Mahathir said when asked about his message to the D-8 members.

Dr Mahathir said he was glad many of the leaders attending the summit had identical views on the course they should take and on other issues.

"This was reflected in the statements by the leaders at the opening yesterday," he said at the hall of Sheraton Hotel where the summit was held. More than 100 newsmen attended the Press conference.

Dr Mahathir said he was also satisfied that member countries had identified several projects for possible implementation and had stressed the need for greater co-operation between these countries.

Malaysia in particular, he said, was interested in promoting Islamic insurance and re-insurance.

"We are also interested in increasing trade among us," he said, adding that Malaysia was happy with the progress of the projects that had been identified during the first summit in Istanbul in June 1997.

Dr Mahathir said working in a group would bring greater benefits to the members.

He said if views were aired individually, they might not be effective, but as a group, views would be taken into account.

The Dhaka Declaration of Development Eight expressed concern over the lack of progress in reform and in strengthening international financial systems to protect the interests of developing countries.

The 33-point declaration, adopted at the end of the second two-day D8 summit today, acknowledged the benefits of globalisation, but recognised the accompanying risks of destabilisation and increased inequality between developed and developing countries.

It stated that the severity of the crisis in Asia had highlighted weaknesses in the global economic and financial system.

D8, established in June 1997 in Istanbul, Turkey, is a grouping comprising eight countries with a majority Muslim population namely Malaysia, Bangladesh, Indonesia, Pakistan, Iran, Turkey, Egypt and Nigeria.

Among other things, the declaration endorsed the proposal to enhance the capacity of an existing re-takaful (Islamic insurance) company to meet the needs of D8 member countries.

In this connection, it welcomed Malaysia's offer to convene a workshop in June this year in Kuala Lumpur to draw up measures and formulate the appropriate strategies to promote takaful and re-takaful.

In respect of training, it further welcomed Malaysia's offer to conduct courses in conventional insurance and takaful as well as training programmes, seminars and attachment programmes in Islamic banking and finance to enhance co-operation among the member countries.

The next summit will be held in Cairo, Egypt in 2001.

In the declaration, the participating countries, among other things:

\* decided to consult relevant international institutions to minimise the effects of the global financial crisis, and also contribute to efforts aimed at reforms in the international financial system in co-operation with other developing countries.

It also supports the call for greater transparency and disclosure. This should also apply to all those in the public and private sectors, particularly large market players, such as hedge funds.

\* Agreed on the imperative of sustainable development which essentially comprises the triad of economic development, social development and environmental protection.

\* Commended all D8 governments for their initiatives with regard to the priority areas of co-operation and the projects assigned to them. It invited members to expedite the implementation of their priority projects.

\* Welcomed the on-going work on trade, co-ordinated by Egypt, in their endeavour to set up an International Marketing and Trade Company and in developing other trade facilitating measures such as trade financing, Customs simplification and mobility of business people to enhance trade among D8 member countries.

(In this respect, Malaysia has offered to hold a seminar for officials of D8 countries in the area of trade facilitation in Kuala Lumpur this year.)

\* It has been 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 prototype needed to be determined to facilitate future changes to turn it into a multi-purpose civilian aircraft.

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