

**Joint Declaration of the Third Meeting of the Istanbul Forum for Economic  
Cooperation between Afghanistan, Turkey and Pakistan  
4 December 2008**

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1. Representatives of the Union of Chambers and Commodity Exchanges of Turkey (TOBB), Afghanistan Chambers of Commerce and Industry (ACCI) and the Federation of Pakistan Chambers of Commerce and Industry (FPCCI) came together for their third meeting on December 4, 2008 in Istanbul.
2. The Forum focused on a regional development agenda for private sector development in Afghanistan and Pakistan with the contribution of the Turkish private sector. Potential projects that would encourage trilateral economic cooperation were discussed during the meeting.
3. The importance of a trilateral business dialogue mechanism between the three countries and the necessity to focus on small but practical and important steps on the ground were emphasized.
4. In the Forum, it was mentioned that in addition to the three pronged strategy decided upon at the second meeting in January 2008, further steps could be taken in relation to industrial zone projects in designated areas in Afghanistan and Pakistan.
5. It was mentioned that in identifying the specific concrete projects, first two issues to be dealt with were site and sector selection. It was explained that these selections would be done taking into account factors such as trade facilitation, terrain characteristics, electricity generation, nature of economic activity and complementarity across local value chains in Afghanistan and Pakistan.
6. The Forum has decided to focus on concrete projects to connect local economic activities in both Afghanistan and Pakistan to each other and also to regional and global value chains. The objective of the projects will be to create synergies underlining the complementarities of local value chains in both countries.
7. In order to conduct further studies on such value chain analyses and other private sector development programs, the Forum has welcomed the initiative of the TOBB University of Economics and Technology (TOBB-ETU) to establish an “Economic Development Institute.”
8. Potential sectors were described as food (dried and fresh fruits, nuts, flour), carpet and furniture as initial sub-sectors for further analysis at the outset. Before the next Forum meeting, the prefeasibility assessment will be further advanced.
9. The Forum stressed the importance of infrastructure and capacity building needs for the successful implementation of the future Forum projects, including the

power plant with transmission lines to both countries. In that context, TOBB's experience in modernizing five border crossings of Turkey were described to the participants, the Forum agreed that this experience could be useful in the region.

10. The Forum, therefore, asked for working closely as the three sides of the Istanbul Forum to identify the priority areas in which the capacity building is needed the most and the effects can be observed most clearly. Training for the newly structured Afghani chambers was identified to be one of the future projects in this field. It was also indicated that Turkish International Cooperation and Development Agency (TIKA) could play an important role in capacity building in the two countries.
11. The Forum decided to send technical missions to the region as soon as possible in order to make a prefeasibility study, specific to different sites and sectors. To assist the technical mission, the Forum has decided to establish a technical committee from three sides consisting of Mr. Mustafa Bayburtlu from TOBB, Mr. Amjad Rafi from FPCCI, and Mr. Mohammad Qurban Haqjo from ACCI. The technical committee will focus on the design of the relevant incentive schemes to make the series of projects operational and more appealing to the private sector.
12. The Istanbul Forum decided to have its fourth meeting in Islamabad at a date to be determined later.