



## **Ankara Forum**

### **for Economic Cooperation Between Palestine, Israel and Turkey**

#### **Joint Declaration of the 3rd Meeting of the Ankara Forum 20-21 September 2005**

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- 1- Ankara Forum, which brings business representative organizations from Palestine, Israel and Turkey, held its third meeting in Istanbul on 20-21 September 2005.
- 2- The Forum has discussed the developments on the work of the revitalization of Palestinian Industrial Free Zone (Erez Industrial Zone) and tourism sector. Issues of SME development, access to finance, future business opportunities with a special emphasis on construction were also among the issues discussed.
- 3- The Forum participants have congratulated both parties for the peaceful completion of the Disengagement Plan. With the successful completion of this first phase, economic issues, job creation in Gaza have become vital to sustain the successful continuation of the process. Forum participants have reiterated their determination to contribute to the process by revitalizing the Palestine Industrial Free Zone through an Ankara Forum based developer-company. The efforts of TOBB and the Federation of Palestinian Chambers have been noted by all participants to the Forum.
- 4- The three delegations have agreed on the following issues:
  - The understanding of the PA to turn Erez Industrial Estate into a free zone is regarded as a step in the right direction.
  - The Forum calls upon the respective governments to reach an understanding on the requirements of the Project on the Revitalization of the Palestinian Industrial Free Zone (formerly, Erez Industrial Estate).
  - The MoUs will signify the ownership of the project by the Ankara Forum and it will contribute to investor confidence. Therefore, they should be finalized as soon as possible.
  - Investment insurance facilities and support for investment are noted as crucial for the success of the project. In this context, the support of institutions such as, MIGA and OPIC has been mentioned.
  - The immediate start of investment promotion activities is of utmost importance. The Forum calls upon the Turkish companies to open the way for the investments in the Palestine Industrial Free Zone. The assistance of Palestine Investment Promotion Agency (PIPA) has been noted as a essential.
  - The report of the working group on the revitalization of Palestine Industrial Free Zone has shown that it is crucial to attain the effective and predictable



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flow of goods to and from Palestinian Industrial Free Zone (Erez Industrial Zone).

- Provision of public utilities to the Palestine Industrial Free Zone has also been found vital.
- There is the need to establish a regulatory coordination unit within the estate to deal with the regulatory coordination issues in both related countries.
- Considering the SME structure of Palestinian firms, it has been decided to start a Project on SME Development and SME Access to Finance, including the banking sector, special attention should be given to the SMEs in the West Bank
- The project could be designed as support to Palestinian firms in Palestine industrial Free Zone at the outset. Business development and access to finance of these firms are also noted as crucial.
- Projects that cover experience-sharing between Palestine, Israel and Turkey for SMEs should be developed and implemented. Secretariat is going to look for tripartite collaboration possibilities,
- To enhance coordinated public-private sector dialogue in the three countries, a tripartite policy research network might be of crucial importance. Secretariat for the revitalization of Palestine Industrial Free Zone has to look for possible collaboration alternatives.
- Benefiting from the Jordanian experience in FTAs has been brought to the attention of the Forum,
- The continuation of the FTA status of the Palestinian Territory, after the Disengagement Process, by the United States and other Arab countries is important for investment promotion. Current status has to be clarified with the related authorities.
- There is a need for the capacity building of the Palestinian tourism sector for a well-functioning trilateral cooperation. This should include, training programs to the Palestinian tourism sector, either in Israel or in Turkey.
- The issues regarding tourism development should be classified as (1) Issues that require financial resources, (2) Issues that require only goodwill, (3) All of these issues require government support. In order to explore concrete alternatives, the Secretariat has to order a policy research study, preliminary results of which has to be brought to the next meeting of the Forum.

5- The delegations have reiterated their commitments and support for the Ankara Forum and decided to hold fourth meeting in Tel Aviv, in November 2005.