

# **PROGRAM FOR** **ADVANCED LEADERSHIP AND MANAGEMENT**

**“From SEACO – TOWARDS AN ISLAMIC COMMON MARKET**

**BY**

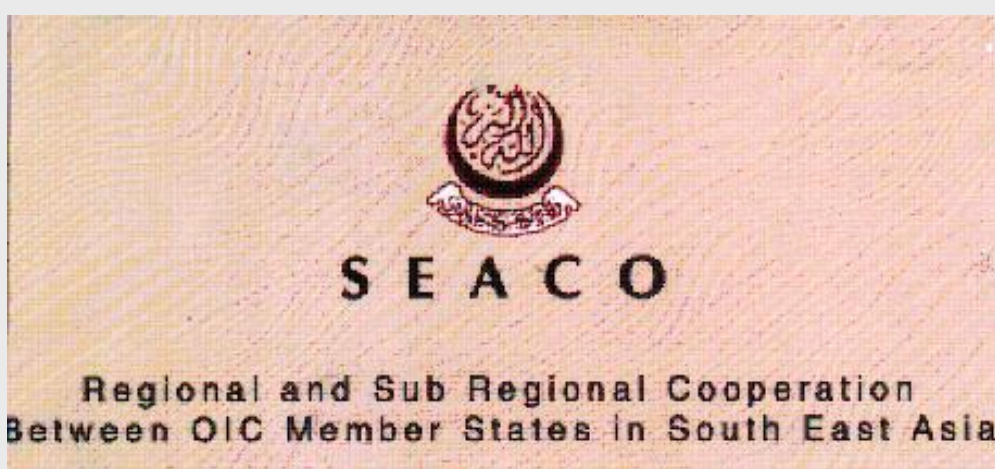
**SALAHUDDIN KASEM KHAN**

**MANAGING DIRECTOR, A.K. KHAN & COMPANY LTD.  
EXECUTIVE CHAIRMAN, SEACO FOUNDATION, BANGLADESH  
MEMBER, INTERNATIONAL ADVISORY PANEL  
WORLD ISLAMIC ECONOMIC FORUM (WIEF), MALAYSIA**

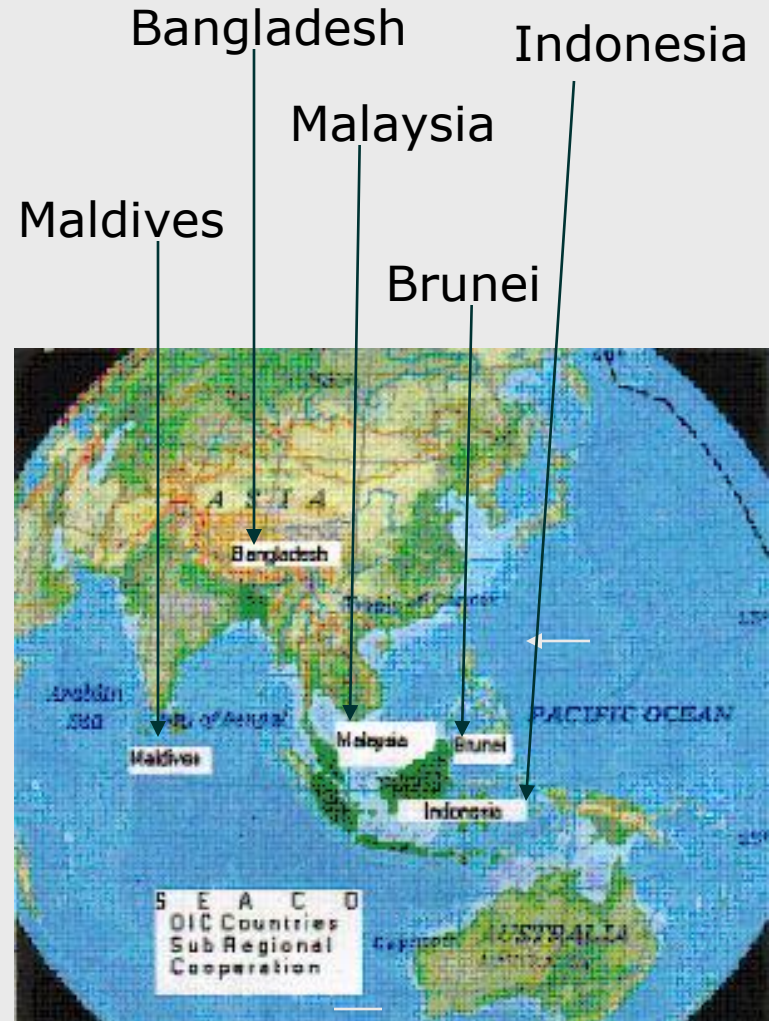
**ORGANISED BY**



**27<sup>TH</sup> April to 3<sup>rd</sup> May 2012, Madinah, Saudi Arabia**



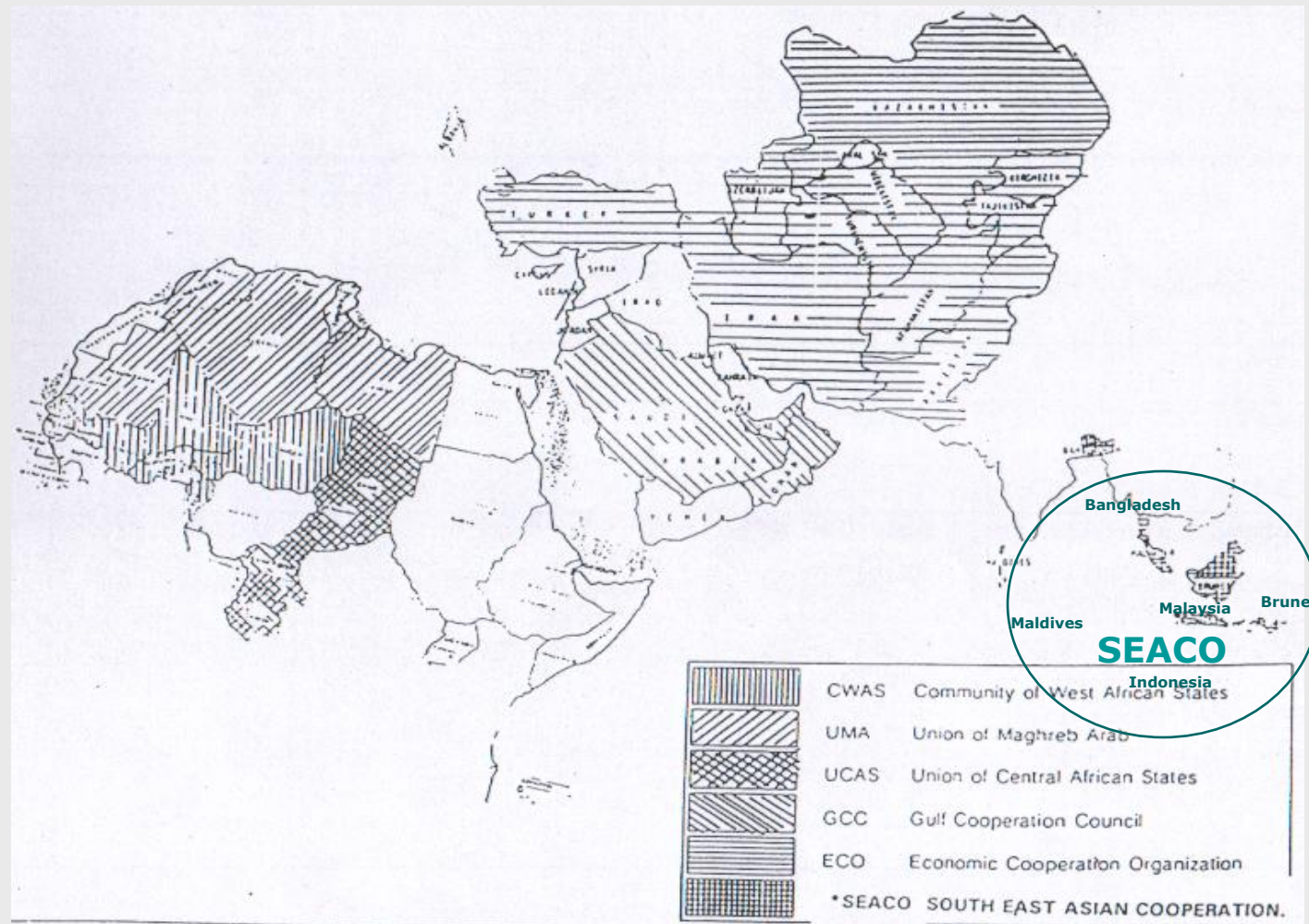
**TOWARDS....**



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



# Existing Regional Cooperation Arrangements of OIC Member States



\* (PROPOSED AT IDB-INDO SEMINAR, BANDUNG DECEMBER, 1992.)

# SEACO (SOUTH EAST ASIAN COOPERATION)



**BANGLADESH**



**BRUNEI**



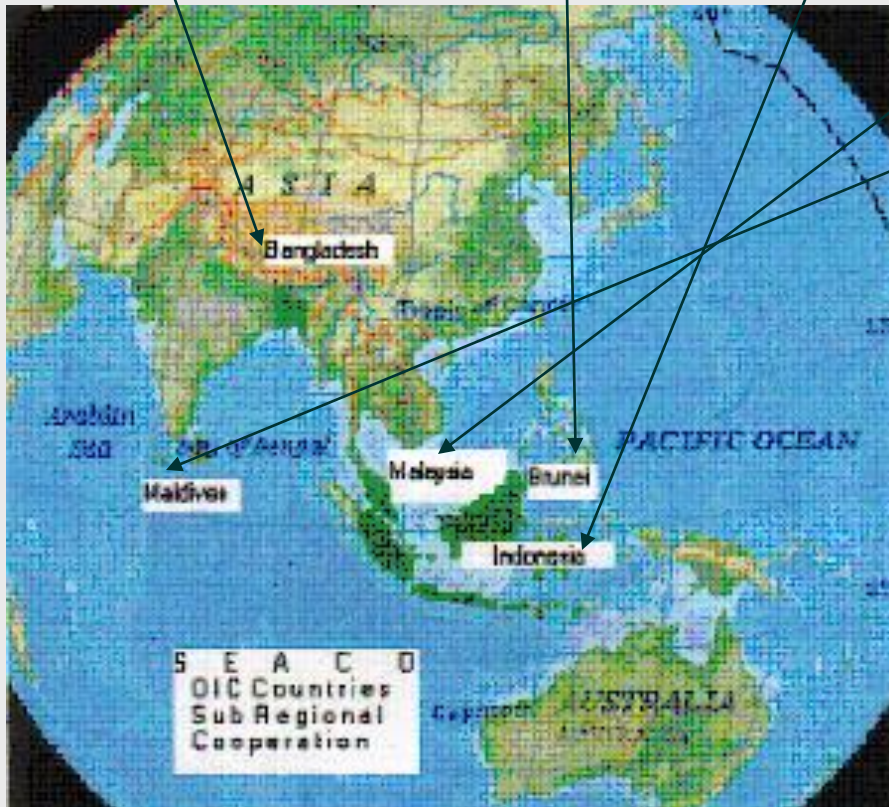
**INDONESIA**



**MALAYSIA**



**MALDIVES**



Area	2,384,477 Sq. Km.
Population	434 million
Combined GDP	\$ 280 billion
Average GDP growth rate	6% per anum
Total Trade	\$ 265 Billion

- It was proposed in Bandung in 1992 that SEACO could develop as an economic link between ASEAN and SAARC.

# SEACO Countries Key Economic Indicator

Particulars\Countries	Bangladesh	Malaysia	Indonesia	Brunei	Maldives	TOTAL
<b>Area</b>	143,998 Sq. Km. (2012)	329,847 Sq. Km. (2012)	1,904,569 Sq. Km. (2012)	5,765 Sq. Km. (2012)	298 Sq. Km. (2012)	2,384,477 Sq. Km.
<b>Arable Land</b>	55.39% (2008)	5.46% (2008)	11% (2008)	2.08% (2008)	13.33% (2008)	----
<b>Population</b>	158.6 Million (2011)	28.7 Million (2011)	245.6 Million (2011)	.40 Million (2011)	.39 Million (2011)	433.7 Million
<b>Population Density</b>	1,142.29 per Sq. Km (2010)	86.44 per Sq. Km (2010)	132.41 per Sq. Km (2010)	75.70 per Sq. Km (2010)	1053 per Sq. Km (2010)	-----
<b>GDP (PPP) Basis</b>	US \$ 300.3 Billion (2012)	US \$ 471.4 Billion (2012)	US \$ 1193.8Billion (2012)	US \$ 20.4 Billion (2012)	US \$ 3.12 Billion (2012)	US \$ 1988.93 billion
<b>GDP per capita</b>	US \$ 1775.67 (2012)	US \$ 9163.61 (2012)	US \$ 4963.63 (2012)	US \$ 48891 (2012)	US \$ 429 (2012)	-----

## Annual Trade :

Particulars\Countries	Bangladesh	Malaysia	Indonesia	Brunei	Maldives	TOTAL
<b>Imports</b>	US \$ 21.34 Billion (2010)	US \$ 174.3 Billion (2010)	US \$ 111.1 Billion (2010)	US \$ 2.61 Billion (2010)	US \$ 969 Million (2010)	310.319 Billion
<b>Exports</b>	US \$ 16.24 Billion (2010)	US \$ 210.3 Billion (2010)	US \$ 146.3 Billion (2010)	US \$ 10.67 Billion (2010)	US \$ 163 Million (2010)	475 billion
<b>Average percent of GDP growth</b>	6.7% (2011)	3.7% (2011)	1.3% (2011)	4.1% (2010)	8.0% (2010)	4.76%
<b>Literacy Rate</b>	47.9% (2012)	88.7% (2012)	90.40% (2012)	92.7% (2012)	93.8% (2012)	-----
<b>Work Force</b>	70.86 Million	11.09 Million	112 million	0.188 million	0.14 million	194 million

## GDP Composition:

Particulars\Countries	Bangladesh	Malaysia	Indonesia	Brunei	Maldives	TOTAL
<b>Agriculture</b>	19.10%	10.10%	42%	0.70%	22%	----
<b>Industry</b>	28.60%	43.70%	18.60%	75%	18%	-----
<b>Services</b>	52.30%	46.30%	39.30%	25%	60%	-----



# SAARC – ASEAN Economic Indicators

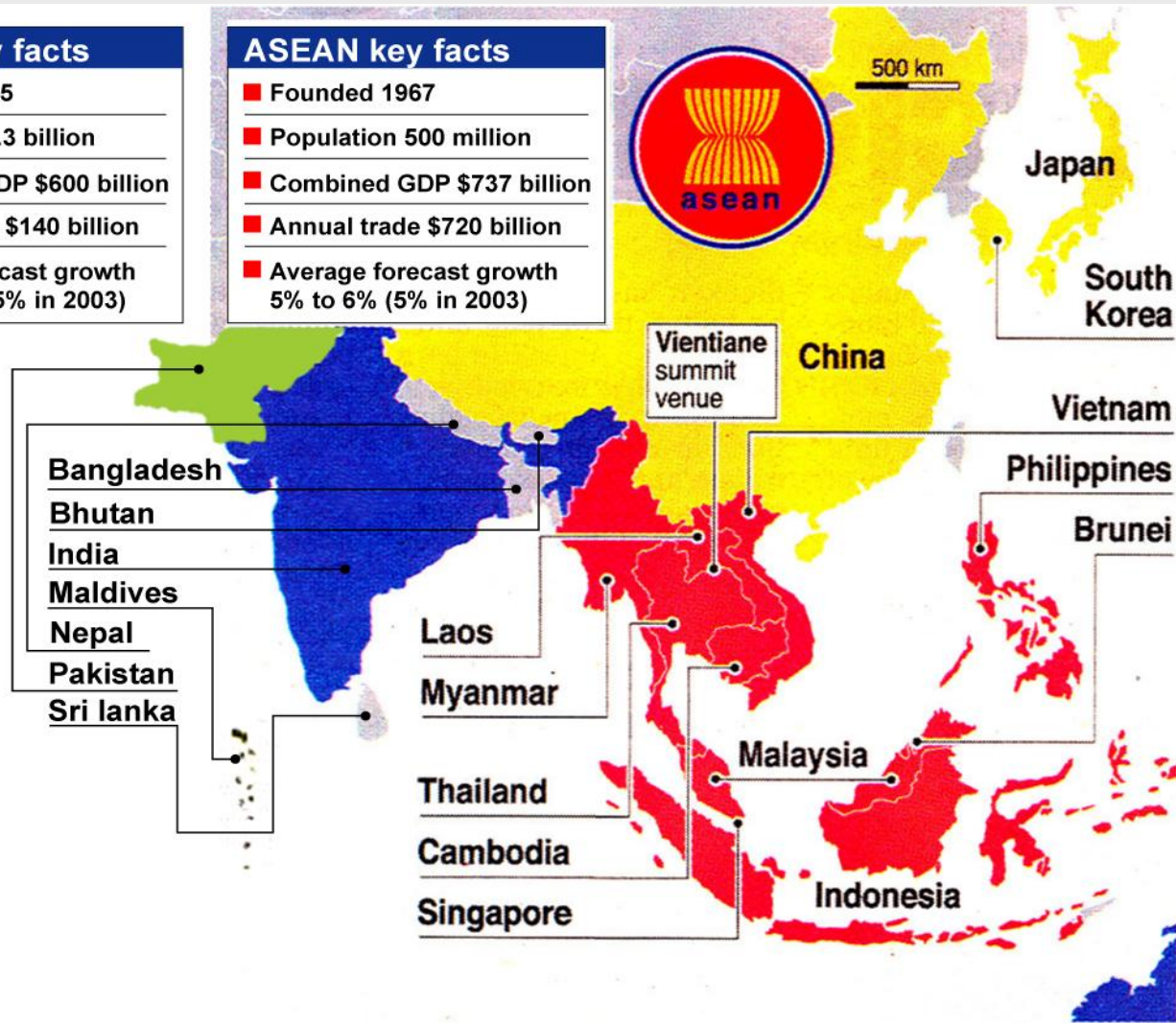


## SAARC key facts

- Founded 1985
- Population 1.3 billion
- Combined GDP \$600 billion
- Annual trade \$140 billion
- Average forecast growth 5.5% to 6% (5% in 2003)

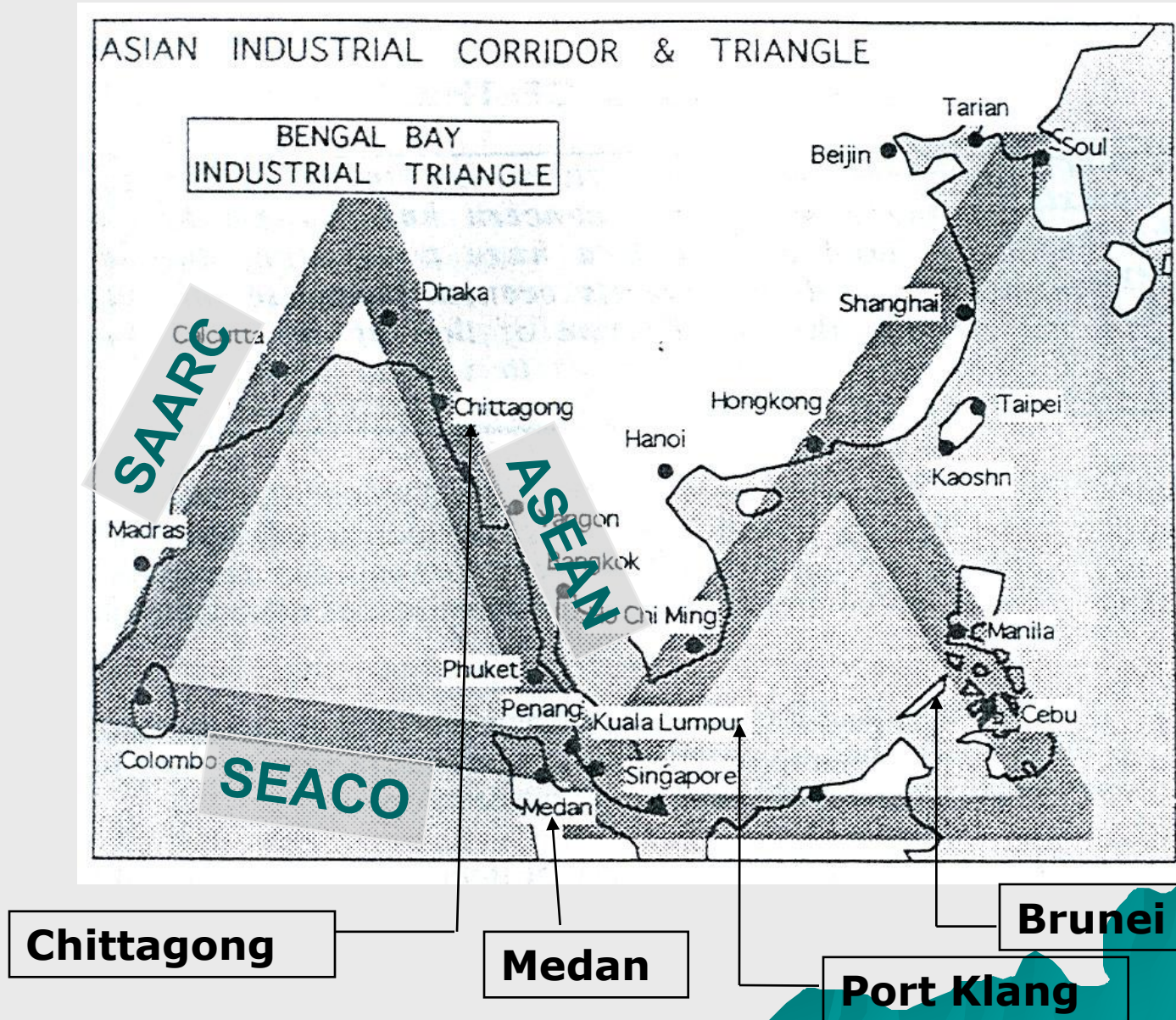
## ASEAN key facts

- Founded 1967
- Population 500 million
- Combined GDP \$737 billion
- Annual trade \$720 billion
- Average forecast growth 5% to 6% (5% in 2003)





# Asian Industrial Corridors and Triangles



## **SEACO: Initiatives from 1994-2004**

**The Foreign Minister of Bangladesh in a letter on May 12, 1994, to his counterparts the Foreign Ministers of Brunei, Malaysia, Maldives and Indonesia forwarding the SEACO proposal stated:**

**Academics policy-makers, functionaries of the Chambers leaders of trade, industry and investment networks across this vast area have articulated the idea of forming SEACO.**

**A resolution on SEACO, moved by Bangladesh Delegation, was endorsed by the INDO-IDB Product Seminar, Bandung 11-18 December 1992**

**Chaired by Dr B.J Habibie, Government of Indonesia and Co-chaired by President Islamic Development Bank**

**Recommended by the Eleventh General Assembly of the Islamic Chamber of Commerce Industries and Commodity Exchange (ICCICE), Kuala Lumpur (6-7 December 1993)**

**and also by the International Seminar on Islamic Common Market (ICM), Dhaka (18-20 December, 1993).**

**"It will be appreciated if your Excellency will kindly ascertain the reaction of your Government towards holding informal consultation on the idea of forming SEACO and convey the same to us at an early date."**

**Bangladesh FM letter on SEACO, dated: May 1994**

**SEACO was in Agenda of the official talks between the Prime Ministers of Bangladesh and Malaysia in KL in 1996**





## **The IDB President's letter dated 10th June,2009**

commended the efforts on formation of SEACO and stated:

**I also appreciate your proposal for formation of some Regional Economic & Trade Cooperation Arrangements among the 5 OIC Member States, namely Indonesia,Malaysia,Berunei,Bangladesh and Maldives located in the South and southeast Asia, I would like to suggest that such a subject to be initiated by the concerned Member States. If this initiative materializes ,the Islamic Development Bank will be happy to extend its support.**

**I also would like to take the opportunity to refer to my letter No: 72/10/216/830 dated 15<sup>th</sup> July,1996 in which I mentioned that "IDB would seriously consider extending technical support to the intended regional meeting when the concerned Member States decide to hold the meeting. IDB looks forward to the creation of SEACO as an important initiative to the promotion of cooperation among Member States and hopes for cooperation with this organization when it is established."**

## SEACO was endorsed by the 24<sup>th</sup>, 28<sup>th</sup> & 29<sup>th</sup> ICFM's

**"Recalling Resolution No. 1-9-E (IS) adopted by the Ninth Session of the Islamic Summit Conference in Doha;**

**Also recalling Resolution NO. 1/28-E adopted by the Twenty-eight Session of the Islamic Conference of Foreign Ministers;**

**Further recalling Resolution No. 6/24-E of the 24<sup>th</sup> Session of the Islamic Conference of Foreign Ministers, in which Member States were invited to reinforce Sub-Regional and Regional Markets and relaunch the existing economic integration projects among themselves;"**

Having considered the report of the Secretary General on the matter:

**"1. Stresses the need to promptly take practical steps, foremost of which is to set up joint investment projects among Member States, to achieve economic complementarity between them to ensure economic integration among the OIC Member States with the ultimate objective of establishing an Islamic Common Market or any other form of economic integration, on a step –by – step basis, and commends the efforts exerted by the Arab Economic and Social Council to create a major Arab free trade zone and encourages the regional organizations in which Member States participate, especially the ECO, SEACO, ECOWAS, CEMAC and CEMAO to continue their efforts in this area."**



## 9<sup>th</sup> Islamic Summit, 2000 Qatar in its Resolution endorses SEACO under the leadership of Prime Minister of Bangladesh :



**“Further recalling Resolution” No. 6/24-E of the 24<sup>th</sup> Session of the Islamic Conference of Foreign Ministers, in which Member States were invited to reinforce Sub-Regional and Regional Markets and relaunch the existing economic integration projects among themselves.”**

“1. Reiterates urgent need to take practical steps to ensure economic integration among the OIC Member States with the ultimate objective of establishing an Islamic Common Market or any other form of economic integration, on a step-by-step basis, among OIC Members States, and commends the efforts exerted by the Arab Economic and Social Council to create a major Arab free trade zone and other similar initiatives namely, the ECO, **SEACO**, ECOWAS, CEMAC and CEMAO”

**Declaration for the  
First Bangladesh-Malaysia Business Forum keynote  
paper presented by Dr Mahathir Mohammad  
Dhaka on 18-19<sup>th</sup> December 2004**

**South East Asia Cooperation (SEACO):**

**“We call on the Governments of Bangladesh and Malaysia to put on track the resolution of the 9<sup>th</sup> OIC Summit Conference, 2000, Qatar, encouraging the realization of SEACO under the OIC framework. The private sector stands ready to assist and to provide whatever support required to realize this resolution.”**

# Third Extra Ordinary Session of the Islamic Summit Conference Mecca Mukarrama (7-8 Dec. 2005)


## “ Ten years programme to facing the challenges of the Muslim Ummah in the 21<sup>st</sup> Century”

### ◆ Economic Cooperation

Call upon the Member States to sign and ratify all existing OIC trade and economic agreements, and to implement the provisions of the relevant OIC Plan of Action to Strengthen Economic and Commercial Cooperation among the Member States.

Mandate COMCEC to promote measures to expand the Scope of intra OIC trade and to consider the possibility of establishing a **Free Trade Area** between the Member States in order to achieve greater economic integration to raise it to a percentage of 20% of the overall trade volume during the period covered by the plan.

Promote endeavors for institutionalized and enhanced cooperation between OIC and regional and international institutions working in the economic and commercial fields.



## **H.E. The Malaysian Prime Minister and Chair of OIC Datuk Abdullah Ahmad Badawi urged the Economic and Finance Ministers of OIC at the IDB Group Meeting in K.L in 20<sup>TH</sup> June,2005**

“ We should actively promote and integrate markets and reduce tariffs and non tariff barriers. This can be done by promoting FTA’ among Member Countries while working towards an Islamic Common Market.

In the past trade was an important bond for Muslim Communities-today this bond has become weak. We do not trade with each other as much as we used to do during the peak of our civilization.

One of the biggest challenges confronting the OIC is the vast economic imbalances that exist among the Member countries of OIC. The statistics not only give cause for concern but also inform us of their potential for self help that exists within the Groupings.

The Prime Minister said Intra OIC Trade was only 12% of the total trade of the OIC countries. Combined they represented 7% of Global Trade despite the fact they possess 60% of the World’s Natural Resources.

### **FDI:**

In terms of FDI, the total FDI inflows into the OIC Member Countries in 2003 stood at US\$ 24.1 Billion an increase of 20.8% over US \$ 20 Billion in 2002. However, 561% or US\$ 12.2 Billion of the total FDI inflow went to only five Member Countries namely Malaysia, Brunei, Azerbaijan , Morocco and Kazakhstan.”





Whereas the idea of an Islamic Common Market (ICM) remains the ultimate objectives of the Organization of Islamic Conference – a SEACO regional Free Trade Area, could take shape now given the political will and commitment of the proposed OIC Member States in keeping with the third Extraordinary Session of the Islamic Summit Conference, Makkah Mukharamah (7-8 December, 2005)

The Conference emphasized the need to make optimal use of the human, natural and economic resources of the Muslim World in order to promote this cooperation, consider the possibilities of establishing a Free Trade Area among the member states.

Therefore, the SEACO Task Force, Dhaka calls on the Governments of Bangladesh, Brunei, Indonesia, Malaysia and Maldives to set up an inter-governmental "SEACO Task Force" and to call a Preparatory Meeting of the Trade Ministers and the Private/Public Sectors of this Region, with the participation of the IDB, ICDT, COMCEC and the ICCI to give effect to the SEACO Resolutions of the 24th, 28th, 29th ICFM's and the 9th Islamic Summit, 2002, Doha and the IDB to facilitate the holding of this technical meeting of the inter governmental "SEACO Task Force".

The setting up of SEACO Task Forces in each participating SEACO country with the Government and Private /Public Sector be mandated with the task of drawing up the "SEACO-FTA" Draft Agreement for consideration of the proposed inter-governmental SEACO Task Force within a time bound process.

The SEACO Task Force, Dhaka believes that the regional "SEACO-FTA" approach can ,therefore, be the building block towards the proposed Islamic Free Trade Area (IFTA) and lay the foundation of the future edifice of the Islamic Common Market as envisioned by the Makkah Declaration.

"O Muslims you are the best Middle Nation to serve as a model for Mankind. The Messenger of Allah serves as a Model for you. "

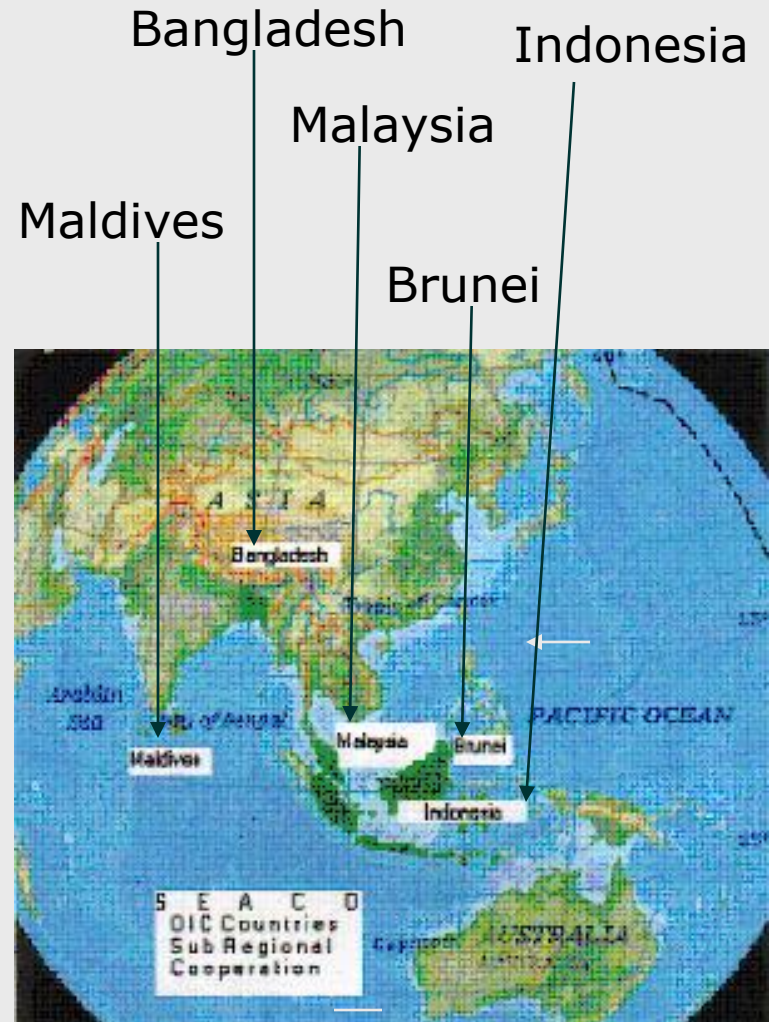
-- Al Quran

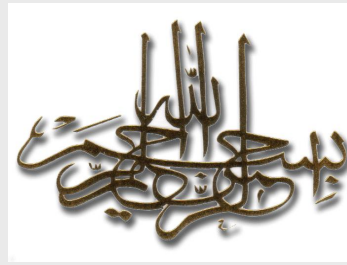


**Proposed**

## **South East Asian Co-operation University (SEACO UNIVERSITY)**

is a regional university based on co-operation of the SEACO countries to establish a knowledge grid in the region





It will be established in Port City of Chittagong under the Private University Act, 2010 of Bangladesh by a private sector initiative as a project of **SEACO Foundation Bangladesh** with the co-operation of **SEACO Task Force Malaysia** and collaboration of private sector organizations and personalities of South East Asian Region: **Bangladesh, Brunei, Indonesia, Malaysia and Maldives**, as a **Regional Center of Excellence**.



# AIMS & OBJECTIVES

The main objective of establishing this University is to create a knowledge grid of the SEACO countries. A world class knowledge, management, leadership and skilled manpower development institution by imparting education, technology, training, imbued with this spirit of dedication sacrifice and service to the Ummah as enshrined in the Holy Quran.


**Some very well known Universities have been established on the basis of the principles as mentioned above as follows:**

- International Islamic University Malaysia: IIUM, Malaysia
- International Islamic University, Uganda (OIC)
- Islamic University of Technology (IUT) of OIC, Dhaka, Bangladesh






**Some other well known University initiatives has been undertaken on the basis of regional co-operation as follows:**

- Asian University for Women, Chittagong, Bangladesh
  - South Asian University, (SAARC), Delhi, India
  - Asian Institute of Technology (AIT), Bangkok, Thailand
  - UN University, Japan
- 

# MANAGEMENT

## The Board of Trustees:

- a. Under Private University Act 2010 of Bangladesh a Board of trustees has to be formed comprising a maximum of 21 members and minimum 9 members.
- b. Our plan for **SEACO University** is to include 10 members from Bangladesh and 8 members from other four **SEACO** countries and rest from other regional countries having large Muslim populations in **ASEAN** & **SAARC**.
- c. In addition two important bodies will be formed
  - 1. International Panel of Patrons:
  - 2. International Panel of Advisers



**d.** The Secretary General of **OIC** and President of **IDB** ,  
Chairman of **WIEF Foundation** may be inducted as honorable  
members of the International Panel of Patrons along with other  
outstanding dignitaries and statesmen of the **SEACO** region and  
the **Islamic World**.

**e.** Ambassadors and High Commissioners to Bangladesh of  
other **SEACO** Countries may be inducted as honorary members.

**f. SEACO** country representatives may be inducted as the  
members of the committees of the University:

Syndicate


Academic Council

Finance Committee


R&D Committee

Institutes and Center's Management body.






According to the Private University Act of Bangladesh 2010 a few academic Faculty and Departments may be opened for 4 year Bachelors degree program after 12 years of schooling and 2 years Masters degrees in the fields of

1. ICT
  2. Business Administration
  3. Human Science
  4. Natural Science
  5. Physical Science
  6. Religion and Interfaith Relation
  7. Islamic Education, History, Culture and Civilization
  8. Engineering
- 





In light of regional needs and geo-strategic reasons a few subjects will be given special emphasis for study and research

- Oceanography
  - Agriculture and Fisheries
  - Climate Change and Environment
  - Social Business
  - Rural Development
  - Advanced Technology
  - Public Health and Medical science
  - Urbanization and real estate development
  - Mass communication and Teacher Education
  - Regional Co-operation and Economic Development
  - Trade, Commerce and Industry Management
  - Tourism, Hotel Management and Entertainment skill Development
  - Management of Public Service
  - Democracy, Election, Parliament, Good Governance
  - Skills and Leadership Development
  - OIC Co-operation in Trade and Investment
- 




## INITIAL INSTITUTION FOR COMMENCING THE PROJECT

**Chittagong Institute of Management (CIM)** and leadership will be the pilot institution and in future few other specialized Institutes will be established as the part of the University such as:

- a. Institute of SEACO studies (for research and programs)
- b. Institute of OIC Affairs (for research and programs)
- c. SEACO Institute for Islamic Teacher Education (for teaching and research)

## INITIAL FUNDING

Initial funding will be provided by SEACO Foundation Bangladesh and other organizations and personalities of the SEACO Countries.






## MEDIUM OF INSTRUCTION

English will be the main language of instruction and Bahasa Malay and Bangla Bahasa will get special importance as regional languages.

## PREFERENCE FOR ADMISSION AND JOBS

Admission preference will be given to students from **SEACO** Countries and the teachers, staff and other academicians will be appointed on the basis of merit with preference to the applicants from the **SEACO** Region.



# SPECIAL COURSES

Few additional Courses (GE Courses) will be compulsory for all the students of the proposed University

## 1. SEACO Studies

(History, Culture, Geo-Politics, Religion and contemporary position of five Muslim countries of the region)

## 2. Science- Technology and Advanced Development

## 3. Ethics, Morality and Islamic Education

## 4. OIC Co-operation (IDB , WIEF, SEACO and others Muslim organization activities) and World development activities (UN,,IMF, WORLD Bank, ADB, EC and others)


## 5. Skills development for the leadership and Job market

(R& D, planning, implementation, communication, field, event, office and assignment management )

## 6. Language, Writings and Communication Skills

(for English and Bahasa Malay and Bangla Bahasa )





Two special committees may be formed based in KL for Regional coordination:

**a. Special Management Committee:**

Chaired by Tan Sri Ahmed Fuzi Bin Razak,  
Chairman SEACO Taskforce Malaysia



**b. Special Academic Committee:**

Chaired by Emeritus Professor Osman Bakar  
Vice Chairman SEACO Taskforce Malaysia



# CONCLUSION:

We believe that the establishment of the proposed SEACO University will lead to the gradual networking of the students and youth leading to empowerment of Muslim peoples and communities of the SEACO Region for the benefit of the Muslim Ummah as whole.

OIC COUNTRIES

# Towards an Islamic Common Market

