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EXPLANATORY NOTE: AGENDA ITEM 7

AGRI-FOOD TRADE AND INVESTMENT PROMOTION

a) NATIONAL FOOD SECTORS DEVELOPMENT IN COOPERATION WITH STATE INVESTMENT AGENCIES

Preamble

As we all know, the many OIC least-developed and low-income countries are agriculture-based where, due to limited financial resources, both domestically and in terms of Foreign Direct Investment (FDI), the inherent agricultural potential of these countries does not manifest itself in the form of reasonable levels of agricultural output and food security. Therefore, intra-OIC investment in such projects should be encouraged, particularly, in the above member countries to increase agricultural productivity and/or extension of arable land through the supply of improved seeds, fertilizers, machinery and modern irrigation systems as well as through the development of rural infrastructures and processing of raw commodities, particularly food products with the aim of establishing domestic agro-based industries to improve the state of food security at the OIC regional level.

To this end, OIC has various tools of Trade and Investment promotion that could be utilized by IOFS, including existing International Treaties namely: The General Agreement for Economic, Technical and Commercial Cooperation among OIC member states, the OIC Agreement for Promotion, Protection and Guarantee of Investments among OIC Member States, and the Framework Agreement on Trade Preferential System. Apart from these treaties, there are a wide range of areas that require due consideration of member states in order to strengthen trade ties and to attract investment while diminishing obstacles of trade promotion in the domain of agri-food trade and investment.

Follow-Up

This concept note would guide the activities of IOFS on investment promotion within the realm of agri-food, using the basic tools already agreed upon by OIC, while also drawing from global best investment practices and facilitate joint work with state investment promotion agencies of OIC member countries. Strong follow up with OIC/IOFS member countries and relevant OIC institutions on the investment climate and focus on food processing projects. Accordingly, main focus must be on investment support into national food sectors and establishing food supply chains. Key projects in this regard would be in food processing with high value added and respective logistics and transportation. IOFS starts with pilot countries and then would delegate this program to International Islamic Food Processing Association (IFPA) because of private nature of FDI.

Conclusion

The General Assembly will review the concept note National Food Sectors Development in Cooperation with State Investment Agencies program and adopt the Resolution that will guide the action of member states in the agri-food trade and investment sector, including the coordination role of IOFS Secretariat.

b) FOOD SAFETY AND HALAL FOOD DEVELOPMENT

Preamble

Halal food furthermore required to fulfill global food safety measurements. Halal principles along all value chain “from gene to fork” draw the consumers to consider Halal food products as healthy, organic, ethical and more animal friendly. Halal food doesn’t just mean a product or only restrictions on the raw materials and ingredients per se, but also involves the entire process of feeding, slaughtering, handling, preparation and storage of the such food. Those procedures attract non-Muslim consumers to Halal food and consequently its global market value is flourishing global. Halal food market is valued and expected to reach a value of US\$ 3.3 trillion by 2025.

Safe food production, process, and trade are playing the pivotal role of the Organization of Islamic Cooperation (OIC) Science and Technology Innovation (OIC STI 2026) Framework. The Islamic Organization for Food Security (IOFS), a specialized institution of OIC, understands that food security always goes hand in hand with food safety.

Follow-Up

In the domain of agri-food trade and investment, this concept note would guide the activities of IOFS on Safe and Halal Food development within the realm of agri-food, using the basic tools already agreed upon by OIC, it would ensure collaboration with relevant OIC institutions, state bodies of OIC member countries. Accordingly, focus must be on promoting the development of investment on Safe and Halal food production within the intra-OIC domain and on enthusiasm the OIC member countries would gain from the increase of global Halal food market share. Currently the major part of this market is owned by suppliers from third countries. IOFS focuses on allowing OIC countries with high agropotential to develop own domestic food processing and increase competitive advantages of the intra-OIC food supply chains. These factors would surely lead to stronger and sustainable long-term food security of all OIC region.

Conclusion

The General Assembly will review the concept note and adopt the Resolution that will guide the action of member states on efforts to popularize and promote Safe and Halal Food, including the coordination role of the IOFS Secretariat.