

1. At the invitation of His Majesty King Hassan II of Morocco and with the support and endorsement of presidents Bill Clinton of the United States and Boris Yeltsin of the Russian Federation, the representatives of 61 countries and 1,114 business leaders from all regions of the world, gathered for a Middle East/North Africa Summit in Casablanca from October 30 to November 1, 1994. The participants paid tribute to His Majesty, King Hassan II, in his capacity as President and Host of the Conference and praised his role in promoting dialogue and understanding between the parties in the Middle East conflict. They also expressed their appreciation to the government and people of Morocco for their hospitality and efforts to ensure the success of the Summit.

2. The Summit leaders feel united behind the vision that brought them to Casablanca, that of a comprehensive peace and a new partnership of business and government dedicated to furthering peace between Arabs and Israelis.

3. Governments and business leaders entered into this new partnership with a deeper understanding of their mutual dependence and common goals. Business leaders recognized that governments should continue to forge peace agreements and create foundations and incentives for trade and investment. They further recognize the responsibility of the private sector to apply its new international influence to advance the diplomacy of peace in the Middle East and beyond. Governments affirmed the indispensability of the private sector in marshalling, quickly, adequate resources to demonstrate the tangible benefits of peace. Together, they pledged to show that businessmen can do business and contribute to peace as well; indeed, to prove that profitability contributes mightily to the economic scaffolding for a durable peace.

4. The Summit commended the historic political transformation of the Region as a consequence of significant steps toward a just, lasting and comprehensive peace, based on UN Security Council Resolutions 242 and 338, a process that began with the 1979 Treaty of Peace between Egypt and Israel and enlarged dramatically by the Madrid Peace Conference, three years ago. That process has borne fruit in the Israel- Palestine Liberation Organization Declaration of Principles. The recent signing of the Treaty of Peace between Israel and Jordan gave a new dimension to the process. The decisions of Morocco and Tunisia to establish, respectively, liaison offices and liaison channels with Israel constituted another new positive development. These accomplishments and the next stages of rapid movement toward a comprehensive peace in the region, including Syria and Lebanon, need to be powerfully reinforced by solid economic growth and palpable improvement of the life and security of the peoples of this region. The Summit stressed that Syria and Lebanon have an important role to play in the development of the region. The Summit expressed a strong hope that they will soon be able to join the regional economic effort.

In this connection, the participants noted that the urgent need for economic development of the West Bank and Gaza Strip requires special attention from the international community, both public and private, in order to support the Israel-Palestine Liberation Organization Declaration of Principles and subsequent implementing agreements to enable the Palestinian people to participate on equal bases in the regional development and cooperation. They stressed the equal importance of moving ahead on Jordanian- Israeli

projects as well as on cooperative projects between Israel and Jordan in order to advance the Jordanian-Israeli Treaty of Peace.

6. The participants recognized the economic potential of the Middle East and North Africa and explored how best to accelerate the development of the region and overcome, as soon as possible, obstacles, including boycotts and all barriers to trade and investment. All agreed that there is a need to promote increased investment from inside and outside the region. They noted that such investment requires free movement of goods, capital and labor across borders in accordance with market forces, technical cooperation based on mutual interest, openness to the international economy and appropriate institutions to promote economic interaction. They also noted that the free flow of ideas and increased dialogue, especially among the business communities in the region, will strengthen economic activity. In this context, the participants noted favorably the decision of the Council for Cooperation of the Gulf States regarding the lifting of the secondary and tertiary aspects of the boycott of Israel.

7. Based on the agreements between Israel and PLO, it is important that the borders of the Palestinian Territories be kept open for labor, tourism and trade to allow the Palestinian Authority, in a partnership with its neighbors, the opportunity to build a viable economy in peace.

8. The participants paid tribute to the multilateral negotiations initiated in Moscow in 1992 which have significantly advanced the objectives of the peace process. The governments represented at Casablanca will examine ways to enhance the role and activities of the multilateral negotiations, including examining regional institutions which address economic, humanitarian and security issues. The participants noted that the progress made in the peace process should go along with a serious consideration of the socio-economic disparities in the Region and require to address the idea of security in the region in all its dimensions: social, economic and political. In this context, they agreed that these issues need to be addressed within the framework of a global approach encompassing socio-economic dimensions, safety and welfare of individuals and nations of the region.

9. The participants recognized that there must be an ongoing process to translate the deliberations of Casablanca into concrete steps to advance the twin goals of peace and economic development and to institutionalize the new partnership between governments and the business community. To this end:

a. The governments represented at Casablanca and private sector representatives stated their intention to take the following steps:

- Build the foundations for a Middle East and North Africa Economic community which involves, at a determined stage, the free flow of goods, capital and labor throughout the region.

- Taking into account the recommendations of the regional parties during the meeting of the sub-committee on finances of the REDWG monitoring committee, this sub-committee will call for a group of experts to examine the different options for funding mechanisms including the creation of a Middle East and North Africa Development Bank. This group of

experts will report on its progress and conclusions within six months in the light of the follow-on Summit to the Casablanca Conference.

- The funding mechanism would include appropriate bodies to promote dialogue on economic reform, regional cooperation, technical assistance and long-term development planning.

- Establish a regional Tourist Board to facilitate tourism and promote the Middle East and North Africa as a unique and attractive tourist destination.

- Encourage the establishment of a private sector regional chamber of commerce and business council to facilitate intra-regional trade relations. Such organizations will be instrumental in solidifying ties between the private and public sectors of the various economies.

b. The participants also intend to create the following mechanisms to implement these understandings and embody the new public-private collaboration.

- A steering committee, comprised of government representatives, including those represented in the steering committee of the multilateral group of the peace process, will be entrusted with the task of following up all issues arising out of the Summit and coordinating with existing multilateral structures such as the REDWG and other multilateral working groups. The steering committee will meet within one month following the Casablanca Summit to consider follow-on mechanisms. The committee will consult widely and regularly with the private sector.

- An executive secretariat to assist the steering committee located in Morocco, will work for the enhancement of the new economic development pattern, thus, contributing to the consolidation of the global security in the region. The secretariat will assist in the organization of a regional chamber of commerce and a business council. It will work to advance the public-private sector investment in the region. The secretariat will assist in the implementation of the various bodies referred to in the present Declaration. The steering committee will be responsible for the funding arrangements, with the support of the private sector.

10. The participants welcomed the establishment of a Middle East/North Africa economic strategic group by the council on foreign relations. This private sector group will recommend strategies for regional economic cooperation and ways to overcome obstacles to trade and private investment. It will operate in close association with the secretariat and submit its recommendations to the steering committee.

11. The participants also welcomed the intention of the World Economic Forum to form a business interaction group that will foster increased contacts and exchanges among business communities and submit its recommendations to the steering committee.

12. The participants in the Casablanca Summit pledged to transform this event into lasting institutional and individual ties that will provide a better life for the peoples of the Middle East and North Africa. They resolved that the collaboration of the public and private sectors

that constituted the singularity of the Casablanca Summit will serve as a milestone in the historic destiny that is now playing out in the Middle East/ North Africa.

13. The participants expressed their appreciation to the Council on Foreign Relations and to the World Economic Forum for their substantive contribution to the organization of the Casablanca Summit.

14. The participants expressed their intention to meet again in Amman, Jordan, in the first half of 1995 for a second Middle East/ North Africa Economic Summit, to be hosted by His Majesty King Hussein.