AVTAR SINGH BHASIN (b. 1935). BA (HONS); MA in History. Initially he had short stints of service in the National Archives of India and the Ministry of Defence. In 1963 he joined the Ministry of External Affairs where he served for three decades, retiring in 1993 as Director of the Historical Division. He was posted in Indian missions in Nepal, Bonn, Vienna, and Lagos. He traveled to several other countries in the discharge of his duties in the Ministry. Some of the countries visited were USA, China, South Africa, Kenya, Zambia, Malawi, Botswana, Russia, Ukraine, Belarus, Hungary, etc. He was member of several ministerial and official delegations for discussions with various countries both in India and abroad.

Since retirement he has taken to academic research. He was Senior Fellow of the Indian Council of Historical Research from 1994 - 96. He was Honorary Fellow of the Institute of Contemporary Studies, Nehru Memorial Museum and Library from 1997 to 2001. He has edited and authored several books on South Asian affairs. He also contributed many articles in newspapers on developments in the neighbouring countries. His 75 pieces on Partition and Freedom were published in the *Asian Age* consecutively from June 1 to August 14, 1997 coinciding with the Golden jubilee celebrations of the Indian independence.

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INDIA

To

the

Officers of the

Ministry

of

External Affairs

President of India
Dr. A. P. J. Abdul Kalam

Prime Minister
Dr. Manmohan Singh[1]

MINISTRY OF EXTERNAL AFFAIRS

External Affairs Minister
Shri Natwar Singh[2]

Minister of State **Shri E. Ahamed[2]**	**Minister of State** **Rao Inderjit Singh[2]**
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1. With effect from May 22, 2004. He succeeded Shri Atal Behari Vajpayee.
2. With effect from May 23, 2004. They succeeded S/Shri Yashwant Sinha, Digvijay Singh and Vinod Khanna respectively.
3. With effect from August 1. He succeeded Shri Shashank.

PREFACE

The foreign policy of any country is a fascinating subject for study. Its span and interest transcend beyond national frontiers and evoke responses from diverse sources – the public, foreign governments, media, multilateral organizations, business, industrial and commercial interests, etc. Unlike in the past, when foreign relations were the preserve of a few in the chancelleries of the world, today the interest is much more varied and wide. Public discourse on foreign relations takes places as much in the drawing rooms of the elite, as at the street corners of metropolises and *mofussil* towns and the *chaupals* of villages.

The newspapers may satisfy the needs of the curious and the sundry but not of the professionals. For the latter, the semantics hold the key to the understanding of foreign relations, which are today conducted through a subject-specific idiom. Scientific study of foreign relations requires the availability of full text of documents as tools for research and analysis easily and without much ado. Today the inter-net has become a major vehicle for dissemination of information and the governments round the world are using it effectively. But for some reasons there are always some missing links.

That India with a population of a billion people and one of the largest and fastest growing economies in the world, is of interest globally to scholars, academia and diplomats alike is quite natural and understandable. So far a systematic and comprehensive effort at the compiling documents on India's foreign relations on an annual basis had not been made. The present modest attempt is in cooperation with the External Publicity Division of the Ministry of External Affairs.

Four hundred and seventy-eight documents put together here represent a continuity and change in India's foreign policy – continuity in the ideals set during the Nehruvian era, and change to meet the dynamics of the present day world. The documents have been arranged regionally and chronologically, while those of a general nature have been put right at the beginning. Even the documents of bilateral nature are bound to contain references to other areas and regions. While categorizing a document, its

dominant nature has been the primary consideration. As such it is likely that overlapping of documents may be found at many places. I trust the users will understand this and bear with such overlaps.

Despite best efforts to make the compilation as comprehensive as possible, documents have got left out. This is not for lack of any effort on my part but because they were inaccessible. For documents of contemporary nature, even when they are unclassified ones, there is a tendency on the part of some officers to be over-cautious and hold them back. May be, if the present effort succeeds in proving its utility, one can look forward to better results next time. In reproducing the documents, every effort has been made to adhere to the original text in respect of punctuation and spellings.

Since this project is the outcome of the help received from a large number of officers of the Ministry of External Affairs, I am happy to dedicate this work to them particularly when I too had the privilege of working with most of them for three decades of my service with the Ministry before my retirement in 1993. However, I remain fully responsible for any deficiencies that may be found in the work.

Before I end, I deem it necessary to particularly thank Navtej Singh Sarna, Joint Secretary of the External Publicity Division and his colleague Rahul Chhabra for processing the proposal for this project through the bureaucratic labyrinth and otherwise being helpful throughout.

My thanks are also due to Mrs. Suryakanthi Tripathi for sparing her valuable time in advising on the structuring of the compendium and making useful suggestions.

My son Mantosh lent his support in handling the material on the computer. Belonging to the older generation, I am not too computer savvy. Whenever I got stuck, which was often, he readily came forward to help. In so doing he may have, of course, discharged his filial duty, but for me, his gesture was worth much more than that, which I greatly appreciate.

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BIOGRAPHICAL

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Dr. A.P.J. Abdul Kalam — President of India

Born on 15th October 1931 at Rameswaram in Tamil Nadu, Dr. Avul Pakir Jainulabdeen Abdul Kalam, specialized in Aeronautical Engineering from Madras Institute of Technology. Dr. Kalam made significant contribution as Project Director to develop India's first indigenous Satellite Launch Vehicle (SLV-III) which successfully injected the Rohini satellite in the near earth orbit in July 1980 and made India an exclusive member of Space Club. He was responsible for the evolution of ISRO's launch vehicle programme, particularly the PSLV configuration. After working for two decades in ISRO and mastering launch vehicle technologies, Dr. Kalam took up the responsibility of developing Indigenous Guided Missiles at Defence Research and Development Organisation as the Chief Executive of Integrated Guided Missile Development Programme (IGMDP). He was responsible for the development and operationalisation of AGNI and PRITHVI Missiles and for building indigenous capability in critical technologies through networking of multiple institutions. He was the Scientific Adviser to Defence Minister and Secretary, Department of Defence Research & Development from July 1992 to December 1999. During this period he led to the weaponisation of strategic missile systems and the Pokhran-II nuclear tests in collaboration with Department of Atomic Energy, which made India a nuclear weapon State. He also gave thrust to self-reliance in defence systems by progressing multiple development tasks and mission projects such as Light Combat Aircraft.

As Chairman of Technology Information, Forecasting and Assessment Council (TIFAC) and as an eminent scientist, he led the country with the help of 500 experts to arrive at Technology Vision 2020 giving a road map for transforming India from the present developing status to a developed nation. Dr. Kalam has served as the Principal Scientific Advisor to the Government of India, in the rank of Cabinet Minister, from November 1999 to November 2001 and was responsible for evolving policies, strategies and missions for many development applications. Dr. Kalam was also the Chairman, Ex-officio, of the Scientific Advisory Committee to the Cabinet (SAC-C) and piloted India Millennium Mission 2020.

Dr. Kalam took up academic pursuit as Professor, Technology & Societal Transformation at Anna University, Chennai from November 2001 and was involved in teaching and research tasks. Above all he took up a

mission to ignite the young minds for national development by meeting high school students across the country.In his literary pursuit four of Dr. Kalam's books - "Wings of Fire", "India 2020 - A Vision for the New Millennium", "My journey" and "Ignited Minds - Unleashing the power within India" have become household names in India and among the Indian nationals abroad. These books have been translated in many Indian languages.

Dr. Kalam is one of the most distinguished scientists of India with the unique honour of receiving honorary doctorates from 30 universities and institutions. He has been awarded the coveted civilian awards - Padma Bhushan (1981) and Padma Vibhushan (1990) and the highest civilian award Bharat Ratna (1997). He is a recipient of several other awards and Fellow of many professional institutions.

Dr. Kalam became the 11th President of India on 25th July 2002. His focus is on transforming India into a developed nation by 2020.

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Dr. Manmohan Singh — Prime Minister of India

India's fourteenth Prime Minister, Dr. Manmohan Singh is rightly acclaimed as a thinker and a scholar. He is well regarded for his diligence and his academic approach to work, as well as his accessibility and his unassuming demeanour.

Prime Minister Manmohan Singh was born on September 26, 1932, in a village in the Punjab province of undivided India. His father was S. Gurmukh Singh. Dr. Singh and his wife Mrs. Gursharan Kaur have three daughters. Dr. Singh completed his Matriculation examination from the Panjab University in 1948. His academic career took him from Punjab to the University of Cambridge, UK, where he earned a First Class Honours degree in Economics in 1957.

Dr. Singh followed this with a D.Phil in Economics from Nuffield College at Oxford University in 1962. His book, **"India's Export Trends and Prospects for Self-Sustained Growth"** [Clarendon Press, Oxford, 1964] was an early critique of India's inward-oriented trade policy.

Dr. Singh's academic credentials were burnished by the years he spent on the faculty of Punjab University and the prestigious Delhi School of Economics. He had a brief stint at the UNCTAD Secretariat as well, during these years. This presaged a subsequent appointment as Secretary General of the South Commission in Geneva between 1987 and 1990.

In 1971, Dr. Singh joined the Government of India as Economic Advisor in the Commerce Ministry. This was soon followed by his appointment as Chief Economic Advisor in the Ministry of Finance in 1972. Among the many Governmental positions that Dr. Singh has occupied are Secretary in the Ministry of Finance; Deputy Chairman of the Planning Commission; Governor of the Reserve Bank of India; Advisor of the Prime Minister; and Chairman of the University Grants Commission.

In what was to become the turning point in the economic history of independent India, Dr. Singh spent five years between 1991 and 1996 as India's Finance Minister. His role in ushering in a comprehensive policy of economic reforms is now recognized worldwide. In the popular view of those years in India, that period is inextricably associated with the persona of Dr. Singh.

Among the many awards and honours conferred upon Dr. Singh in his public career, the most prominent are India's second highest civilian honour, the Padma Vibhushan (1987); the Jawaharlal Nehru Birth Centenary Award of the Indian Science Congress (1995); the Asia Money Award for Finance Minister of the Year (1993 and 1994); the Euro Money Award for Finance Minister of the Year (1993), the Adam Smith Prize of the University of Cambridge (1956); and the Wright's Prize for Distinguished Performance at St. John's College in Cambridge (1955). Dr. Singh has also been honoured by a number of other associations including by the Japanese Nihon Keizai Shimbun.

Dr. Singh has represented India at many international conferences and in several international organizations. He has led Indian Delegations to the Commonwealth Heads of Government Meeting in Cyprus (1993) and to the World Conference on Human Rights in Vienna in 1993.

In his political career, Dr. Singh has been a Member of India's Upper House of Parliament (the Rajya Sabha) since 1991, where he was Leader of the Opposition between 1998 and 2004.

Academic Record

1962 **D. Phil., Nuffield College, University of Oxford.**

Topic: India's Export Trends and Prospects for Self-Sustained Growth. [Published by Clarendon Press, Oxford, 1964]

1957 **Economics Tripos [First Class honours],** University of Cambridge

1954 **M.A. Economics, Panjab University** - First Class with first position in the University

1952 **B.A. Economics(Hons.), Panjab University** - Second Class with first position in the University

1950 **Intermediate Panjab University** - First Class with first position in the University

1948 **Matriculation, Panjab University** - First class

Prizes and Awards

2000 Conferred **Annasaheb Chirmule Award** by the W.LG. *alias* Annasaheb Chirmule Trust setup by United Western Bank Limited, Satara, Maharashtra

1999 Received **H.H. Kanchi Sri Paramacharya Award** for Excellence from Shri R. Venkataraman, former President of India and Patron, The Centenarian Trust

1999 Fellow of the National Academy of Agricultural Sciences, New Delhi.

1997 Conferred **Lokmanya Tilak Award** by the Tilak Smarak Trust, Pune

1997 Received **Justice K.S. Hegde Foundation Award** for the year 1996

1997 Awarded **Nikkei Asia prize for Regional Growth** by the Nihon Keizai Shimbun Inc. (NIKKEI), publisher of Japan's leading business daily

1996 Honorary Professor, Delhi School of Economics, University of Delhi, Delhi

1995 Jawaharlal Nehru Birth Centenary Award of the Indian Science Congress Association for 1994-95

1994 Asiamoney Award, Finance Minister of the Year

1994 Elected Distinguished Fellow, London School of Economics, Centre for Asia Economy, Politics and Society

1994 Elected Honorary Fellow, Nuffield College, University of Oxford, Oxford, U.K.

1994 Honorary Fellow, All India Management Association

1993 Euromoney Award, Finance Minister of the year

1993 Asiamoney Award, Finance Minister of the Year

1987 **Padma Vibhushan Award** by the President of India

1986 National Fellow, National Institute of Education, N.C.E.R.T.

1985 Elected President, Indian economic Association

1982 Elected Honorary Fellow, St. John's College, Cambridge,

1982 Elected Honorary Fellow, Indian Institute of Bankers

1976 Honorary Professor, Jawaharlal Nehru University, New Delhi

1957 Elected Wrenbury Scholar, University of Cambridge, U.K.

1955 Awarded Wright's Prize for distinguished performance, & St. John's college, Cambridge, U.K.

1956 Awarded Adam Smith Prize, University of Cambridge, U.K.

1954 Uttar Chand Kapur Medal, Panjab University, for standing first in M.A.(Economics), Panjab University, Chandigarh

1952 University Medal for standing First in B.A. Hon.(Economics), Panjab University, Chandigarh

Recipient of Honorary Degrees of D.Litt. from :

- Panjab University, Chandigarh
- Guru Nanak University, Amritsar
- Delhi University, Delhi
- Sri Venkateswara University, Tirupathi
- University of Bologna, Italy
- University of Mysore, Mysore
- Chaudhary Charan Singh Haryana Agricultural University, Hisar (D.Sc)
- Kurukshetra University
- Thapar Institute of Engineering & Technology, Patiala (D.Sc)
- Nagarjuna University, Nagarjunanagar
- Osmania University, Hyderabad
- University of Roorkee, Roorkee (Doctor of Social Sciences)
- Doctor of Laws by the University of Alberta, Edmonton, Canada
- Dr. Bhimrao Ambedkar University (formerly Agra University) - Doctor Letters degree
- Indian School of Mines, Dhanbad (Deemed University) D.Sc. (Honoris Causa)
- Pt. Ravishankar Shukla University, Raipur

Work Experience and Positions Held

May 22, 2004 - till date:	Prime Minister of India
March 21, 1998 - May 22, 2004:	Leader of Opposition, Rajya Sabha (Council of States) Parliament of India
June, 2001:	Re-elected as member of Rajya Sabha for a Term of six years
August 1, 1996 - Dec 4, 1997:	Chairman, Parliamentary Standing Committee on Commerce, Rajya Sabha
June 21, 1991- May 15, 1996:	Finance Minister of India
June, 1995:	Re-elected Member of Rajya Sabha for a term of six years
September, 1991:	Elected Member of Rajya Sabha
March 1991-June 1991:	Chairman, University Grants Commission
Dec 1990 - March 1991:	Advisor to Prime Minister of India on Economic Affairs
August 1987 - Nov 1990:	Secretary General and Commissioner, South Commission
Jan 1985- July 1987:	Dy. Chairman, Planning Commission of India
Sept 1982 - Jan 1985:	Governor, Reserve Bank of India
April 1980 - Sept 1982:	Member - Secretary, Planning Commission, India
Nov.1976 - April 1980:	Secretary, Ministry of Finance Dept. of *Economic Affairs*, Government of India Member [Finance], Atomic Energy Commission, Govt. of India Member [Finance], Space Commission, Govt. of India
1972 - 1976:	Chief Economic Adviser, Ministry of

	Finance, India
1971 - 1972:	Economic Adviser, Ministry of Foreign Trade, India
1969 - 1971:	Professor of International Trade, Delhi School of Economics,Delhi University, India
1966 - 1969:	UNCTAD, United Nations Secretariat, New York: Chief, Financing for Trade Section 1966 : Economic Affairs Officer
1957 - 1965 :	Panjab University, Chandigarh
1963-65:	Professor of Economics
1959-63 :	Reader in Economics
1957-59 :	Senior Lecturer in Economics

Other Assignments

Leader of the Indian delegation to the Commonwealth Heads of Government Meeting, Cyprus (1993)

Leader of the Indian delegation to the Human Rights World Conference, Vienna (1993)

Governor of India on the Board of Governors of the IMF and the International Bank of Reconstruction & Development (1991-95)

Appointed by Prime Minister of India as Member, Economic Advisory Council to the Prime Minister (1983-84)

Chairman, India Committee of the Indo-Japan; Joint Study Committee (1980-83)

- Leader, Indian Delegation to :

Indo-Soviet Monitoring Group Meeting (1982)

Indo-Soviet Joint Planning Group Meeting (1980-82)

Aid India Consortium Meetings (1977-79)

- Member Indian Delegation to :

South-South Consultation, New Delhi (1982)

Cancun Summit on North-South Issues (1981)

Aid-India Consortium Meetings, Paris (1973-79)

Annual Meetings of IMF, IBRD & Commonwealth Finance Ministers (1972-79)

Third Session of UNCTAD, Santiago (April-May 1972)

Meetings of UNCTAD Trade & Development Board, Geneva (May 1971 - July 1972)

Ministerial Meeting of Group of 77, Lima (Oct.1971)

- Deputy for India on IMF Committee of Twenty on International Monetary Reform (1972 - 74)
- Associate, Meetings of IMF Interim Committee and Joint Fund-Bank Development Committee (1976-80, 1982-85)
- Alternate Governor for India, Board of Governors of IBRD (1976-80)
- Alternate Governor for India, Board of Governors of the IMF (1982-85)
- Alternate Governor for India, Board of Governors, Asian Development Bank, Manila (1976-80)
- Director, Reserve Bank of India (1976-80)
- Director, Industrial Development Bank of India (1976-80)
- Participated in Commonwealth Prime Ministers Meeting, Kingston (1975)
- Represented Secretary;-General UNCTAD at several inter-governmental meetings including :

  Second Session of UNCTAD, 1968

Committee on Invisibles & Financing Related to Trade,
Consultant to UNCTAD, ESCAP and Commonwealth Secretariat

- ***Member, International Organizations :***

  Appointed as Member by the Secretary-General, United Nations of a Group of Eminent Persons to advise him on Financing for Development (December, 2000)

Publications

(i) Author of book "India's Export Trends and Prospects for Self-Sustained Growth" [Clarendon Press, Oxford University, 1964]

(ii) Have published a large number of articles in economic journals

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K. Natwar Singh — Minister for External Affairs

Father's Name	:	Shri Govind Singhji
Mother's Name	:	Shrimati Prayag Kaur
Date of Birth	:	16 May 1931
Marital Status	:	Married
Date of Marrige	:	27 August 1967
Spouse's Name	:	Shrimati Heminder Kumari
Children	:	One Son
Educational Qualifications	:	B. A.(Hons.) History. Educated at St. Stephen's College, University of Delhi, Delhi, Corpus Christi College, Cambridge, U.K. and Peking University, Peking, China
Profession	:	Diplomat, Writer and Political Worker
Positions Held	**:**	
1971-73	:	Ambassador to Poland
1973-77	:	Deputy High Commissioner to U.K
1977-80	:	High Commissioner to Zambia
1980-82	:	Ambassador to Pakistan
1982-84	:	Director, Air India Board of Directors
1984-89	:	Member, Eighth Lok Sabha
1985-86	:	Union Minister of State, Department of Steel in the Ministry of Steel, Mines and Coal, Union Minister of State, Department of Fertilizers in the Ministry of Agriculture
Oct. 1986-Dec. 1989	:	Minister of State in the Ministry of External Affairs
March 1998-April 1999	:	Member, Twelfth Lok Sabha, Member, Committee on External Affairs and its

		Sub-Committee-I, Member, Committee on Public Accounts, Member, Consultative Committee for the Ministry of External Affairs
April 2002	:	Elected to Rajya Sabha: Special Permanent Member, Consultative Committee, Ministry of External Affairs
April 2002 - May 2004	:	Member, Committee on External Affairs
May 23, 2004	:	Appointed, External Affairs Minister

Books Published :

(i) E.M.Forster : A Tribute, New York, 1964, (ii) The Legacy of Nehru, New York, 1965, (iii) Tales from Modern India, New York, 1966, (iv) Stories from India, London, 1971, (v) Maharaja Suraj Mal (1707-63), London, 1981, (vi) Curtain Raisers, Delhi,1984, (vii) Profiles & Letters, Delhi, 1997, (viii) The Magnificent Maharaja Bhupinder Singh of Patiala (1891-1938), Delhi, 1997 and (ix) Heart to Heart, Delhi, 2003.

Social and Cultural Activities, Literary, Artistic and Scientific Accomplishments and other Special Interests :

Reviews books for national and international newspapers and magazines; his writings and reviews have appeared in the New York Times, Saturday Review, Sunday Times, New Statesman and Financial Times (London), India Today, Frontline, Outlook, Sunday, Hindustan Times, Times of India, Indian Express, Telegraph and many Hindi dailies: Received, (i) Padma Bhushan, 1984 and (ii) E.M. Forster's Literary Award, 1989:

Good conversation followed by prolonged periods of reflective silence.

Sports, Clubs, Favourite Pastimes and Recreation :

Tennis, hockey, cricket, football and athletics in college days; Champion, (i) Delhi State Junior Tennis, 1949 and (ii) Delhi University Tennis, 1950-51; College Colours in tennis, hockey, football, cricket and athletics: President, (i) Delhi Gymkhana Club, 1984 and (ii) All India Tennis Association, 1988-92: Member,(i) The Garrick, (ii) The Royal Overseas League and (iii) Delhi Gymkhana Club: watching tennis, cricket: reading, writing, collecting books and reading them.

Countries Visited :

Widely travelled (over 100 countries) in connection with the diplomatic and other official assignments

Other Information :

Joined the Indian Foreign Service (IFS) in 1953; during 31 years in the IFS, served in Peking, 1956-58, New York - with the Permanent Mission of India, 1961-66; India's representative to Executive Board of UNICEF, 1962-66; Rapporteur , (i) United Nations Committee of 24, 1963-66 and (ii) Fourth Committee of the United Nations General Assembly, 1965; Member, (i) Prime Minister's Secretariat (Smt. Indira Gandhi) 1966-71, (ii) Indian delegation to the Heads of Commonwealth Meeting , Kingston, Jamaica, 1975 and (iii) Congress (I) since 1984 ; Indian Delegate to (i) 30th Session of the United Nations General Assembly, New York , (ii) Heads of Commonwealth Meeting, Lusaka, Zambia, 1979 and (iii) 35th Session of the United Nations General Assembly, New York ; and State visit of the late Prime Minister (Smt. Indira Gandhi) to USA, 1982; Executive Trustee , United Nations Institute for Training and Research (U.N.I.T.A.R.) appointed by the Secretary-General, United Nations, for six years (1981-86); served on Expert Group appointed by the Secretary General of the Commonwealth, London, 1982; Secretary-General , Seventh Non-aligned summit, New Delhi, 1983; Chief Coordinator, Commonwealth Heads of Government Meeting (CHOGM) New Delhi, 1983; Secretary, Ministry of External Affairs, March 1982 - November 1984; elected President, UN Conference on Disarmament and Development, New York, 1987; Leader, Indian delegation to the 42nd Session of the UN General Assembly; Secretary, Jawaharlal Nehru Memorial Fund; Vice-Chairman, Indira Gandhi Memorial Trust.

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E. Ahamed — Minister of State for External Affairs

Father's Name	:	Late Shri Abdul Khader Haji
Mother's Name	:	Late Smt. Nafeesa Beevi
Date of Birth	:	29 April 1938
Place of Birth	:	Kannur (Kerala)
Marital Status	:	Married
Date of Marriage	:	14 May 1961
Spouse's Name	:	Late Smt. Zuhara Ahamed (Expired on 14/10/1999)
Children	:	One daughter and Two sons
		Dr. Fouzia Shersad - Working in Dubai Medical College
		Dr. Babu Shersad, MCPA (Nephrology USA), (son-in-law) - Nephrologist in Dubai
		Mr. Ahamed Rayees MBA (UK) - General Manager Al Dastoor LLC, Oman
		President, Indian School, Al Ghubra
		Member, Board of Directors of Indian Schools in Oman
		Mr. Nazir Ahamed MBA (USA) - President, Logic Point Inc.
Educational Qualifications	:	B.A., B.L. Educated at Government Brennen College, Tellicherry and Government Law College, Thiruvananthapuram (Kerala)
Profession	:	Lawyer / Advocate
Positions Held	:	
1967 onwards	:	Member, Kerala State Muslim League Working Committee

1967-91	:	Member, Kerala Legislative Assembly (Five terms)
1981-83	:	Chairman, Municipal Council, Kannur, Kerala
1982-87	:	Cabinet Minister, Industry, Government of Kerala
1987-91	:	Chairman, Committee on Government Assurances, Kerala Legislative Assembly
1991	:	Elected to 10th Lok Sabha from Manjeri (First Term)
1992-94	:	Member, Committee on Subordinate Legislation
1993-94	:	Chairman, Committee on Absence of Members from the Sittings of the House
1993 onwards	:	Member, Consultative Committee, Ministry of Civil Aviation and Tourism; Special Permanent Member, Consultative Committee on Ministry of External Affairs
1994-96	:	Member, Committee on Public Undertakings;Member, Standing Committee on Science and Technology,Environment and Forests
1995 onwards	:	National-Secretary, Indian Union Muslim League (IUML)
1996	:	Re-elected to 11th Lok Sabha from Manjeri (2nd term)
1996-97	:	Chairman, Committee on Government Assurances of Lok Sabha, Member, Standing Committee on Railways
1998	:	Re-elected to 12th Lok Sabha (3rd term)

1998-99	:	Chairman, Committee on Government Assurances of Lok Sabha,Member, Standing Committee on External Affairs,Member, Consultative Committee on Civil Aviation
1999	:	Re-elected to 13th Lok Sabha from Manjeri (4th term) Chairman, Joint Committee on Food Management in Parliament House Complex, Member, Standing Committee on External Affairs, Member, Consultative Committee on Civil Aviation, Member, Committee on Government Assurances, Member, Committee on Provision of Computers to Members of Parliament
2003	:	Member, Joint Parliamentary Committee on Pesticide residues in safety standards for soft drinks, fruit juice and other beverages. Member, Central Haj Committee, Member, Executive Council, Aligarh Muslim University
May 2004	:	Elected to 14th Lok Sabha from Ponnani (5th term)
May 23, 2004	:	Appointed Minister of State for External Affairs

Books Published

(i) 'One Foreign Journey and Numerous Memories'

(ii) 'A Story of Renaissance of Indian Muslims' (in Malayalam)

(iii) 'The Leaders I know' (Malayalam)

Literary, Artistic and Scientific Accomplishments

Executive Director, Chandrika Daily and Weekly, contributes articles to journals

Social and Cultural Activities

Associated with several educational, cultural and social institutions

Special Interests

Promotion of education, establishing schools and institutions

Favourite Pastime and Recreation

Reading, writing and music

Sports and Clubs

Football and cricket

Special Accomplishments

Led a high-level trade delegation of Government of India to Gulf Countries in 1984. Served as Special Emissary of the then Prime Minister Late Smt. Indira Gandhi and met Heads of States of the Gulf Countries.

Indian Representative in the UN General Assembly for six years consecutively from 1992-97.

Leader of the fact finding team on Mina Fire Tragedy, Saudi Arabia in 1997.

Member of Indian Delegation to World Social Summit Copenhagen, 1995.

Member, Indian Parliamentary Delegations to various countries, 1994-2001.

Represented Indian Parliament in Commonwealth Parliamentary Joint Colloquium at Buckinghamshire, UK, in 1998 Member of the Indian delegation to World Parliamentary Conference, Amman, Jordan in 2000. Widely traveled. Other Information

(i) General Secretary Indian Union Muslim League (IUML)
(ii) Member, Kerala State Muslim League Secretariat
(iii) President, Kannur District Muslim League Committee, Kerala
(iv) President, Muslim Educational Foundation
(v) Member, Board of the Medical College, Periyaram, Kerala
(vi) Member, Central Haj Committee
(vii) Chairman, Calicut Airport Advisory Committee
(viii) Member, Kerala State WAKF Board
(ix) President, Kannur Deenul Islam Sabha Regd, Kerala
(x) Member, Managing Committee, MEA Engineering College, Perinthalmanna, Kerala

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Rao Inderjit Singh Minister of State for External Affairs

Age	:	54 Years
Father's Name	:	Rao Birender Singh Ex-Chief Minister, Haryana Ex-Union Minister for: 1) Food, 2) Agriculture, 3) Irrigation, 4) Rural Development & Civil Supplies
Marital Status	:	Married
Spouse's Name	:	Smt. Manita Singh
Children	:	Two daughters - Ms. Aarti and Ms.Bharati
Education	:	B.A.(Hons.) LL.B. i) School: Lawrence School, Sanawar, Simla Hills, (H.P) ii) B.A.(Hons.): Hindu College, University of Delhi iiii) LL.B: Law Faculty, University of Delhi
Political Career	:	Elected to the Haryana Vidhan Sabha as MLA for the first time in 1977 on the Vishal Haryana Party(VHP) ticket. Spent 19 years in the Haryana Vidhan Sabha. Elected 4 times to the Haryana Vidhan Sabha in 1977, 1982, 1991 and 2001. Elected to the 12th Lok Sabha in 1998. Minister of State (Independent Charge) in Bansi Lal's Congress Government in Haryana from 1986-87 holding charge of the portfolio of Food and Civil Supplies. Cabinet Minister in Bhajan Lal's Congress Government in Haryana from 1991-1996 holding charge of the portfolios of Environment and Forests and Medical and Technical Education. Member, Committee on Science & Technology, Environment and Forests(1998-99).

		Elected to the 14th Lok Sabha from Mahendragarh constituency in Haryana, after having defeated the nearest opposition candidate from BJP by a margin of over 2,10,000 votes.
Sports and Clubs	:	Member of the Delhi Gymkhana Club, Noida Golf Club, Kasauli Club. Member of national shooting team for 10 years. Remained national champion in the 'skeet' shooting discipline for three years running. Bronze medal winner in the Commonwealth Shooting Championships. Winner of three gold medals in SAF games. Interested in Golf, Swimming and Tennis.
Social & Cultural activities	:	Providing educational facilities in rural areas.
Favourite Pastime and Recreation	:	Angling; exploring nature in natural surroundings; reading.
Countries visited	:	Widely travelled in Europe, Southeast Asia, Middle-East, America and Canada.
Other information	:	Joined Youth Congress in 1978 and Member, All India Congress Committee since 1991.

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INDIA'S FOREIGN RELATIONS - 2004

Section - I
General

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001. Speech by External Affairs Minister Yashwant Sinha at the SAARC Chamber of Commerce and Industry symposium on "Regional Cooperation".

Islamabad, January 2, 2004.

President, SAARC Chamber of Commerce and Industry; eminent scholars who have gathered here to participate in this symposium on 'Regional Cooperation'; leaders of business and industry of the SAARC countries, ladies and gentlemen,

2. I am extremely happy to be here in Islamabad today and to address this distinguished gathering on the eve of the SAARC Summit. 'Regional Cooperation' is a topic particularly relevant to our current situation in South Asia. I understand that you have been engaged in day long deliberations on topics such as SAFTA, poverty alleviation and the myriad possibilities for regional cooperation that exist within the region. I am certain that leaders of the SAARC countries will find the fruits of your deliberations extremely useful. I congratulate the SCCI on having taken this initiative.

3. Friends, according to a recent forecast by the ADB, South Asia is set to maintain its economic growth performance provided there is no major political instability. Its estimate for the economic growth of the region is a robust 5.8% for 2003 and over 6% for 2004. Clearly, the above has been achieved in an atmosphere of mistrust and tensions in South Asia. Just imagine how much more could be achieved if through trust and confidence building, we ensured political stability and gave ourselves an added boost through regional cooperation.

4. Our expectation in India is that we will grow at a rate of over 7% this financial year. In fact, in the second quarter of 2003, we have achieved a growth rate of 8.4% and our leading industry association, the Confederation of Indian Industry has forecast 9% for the third quarter of the fiscal year 2003-2004. This growth is not a flash in the pan. It is sustainable growth that we have achieved as a result of painstaking economic reforms implemented over the last decade and more.

5. Since we launched our reforms in early 1990s, India has recorded an average annual growth rate of over 6%. It is now the world's fourth largest economy on the basis of Purchasing Power Parity. Our external reserves

have exceeded USD 100 billion and are today the sixth largest in the world. Our foreign trade is growing at double-digit rates. We are rapidly reducing our external debt. There is strong business confidence and a 'feel good' factor across our economy, buoyed by recent successes notched up by our services as well as manufacturing sector. Our reserves of food stock stands at over 30 million tonnes. Starting from scratch a few years ago, Indian software exports have reached USD 10 billion per annum. Our determined thrust for infrastructure modernization emphasizes building of roads, ports, increase in power generation etc. The Indian economy comprises a strong and growing middle class of 300 million people with rapidly increasing purchasing power.

6. The central message, which India therefore brings to the SAARC Summit, is that we must set aside all our suspicions of each other wherever they exist and switch on the engine of South Asian growth in order to travel on the road to prosperity. This task brooks no further delay.

7. In the globalised world of today, collective regional endeavour is an expression of enlightened self-interest for any country. If only we would permit regional stability and cooperation to empower the poor of our countries, the extraordinary productive energies of the one and a half billion people of this region will be set free for the grand march of our economic and social development.

8. There is today consensus that the enhancement of public good requires coordinated multilateral action and belief in overlapping fortunes. Across the world, economic security has become the driving motivation for regional and trans-regional cooperation. Nations are increasingly focused on evolving strategies that will help adapt their economies to world markets and to trans-national economic flows. There is universal recognition that this is best done if countries act as a region rather than as individual economies.

9. In a world where democracy is an universal value, enhancing the quality of life of the people has to be the foremost priority for Governments. Greater regional cooperation enables the creation of mutual stakes in each other's prosperity and, in the process, creates an environment conducive to the resolution of political differences that may exist. Most countries today recognize the fact that hostility and tension would disrupt their economies,

trade and overall wealth aggregation. We too, in South Asia, must recognize this fact.

10. We should accept the realities of the present world order and identify the objectives of cooperative economic security, as many regional groupings are doing. This will require that we do nothing to undermine each other's security. Our goal of economic security for the region can be achieved only if we exchange information, investment, technology, know-how, and business opportunities and, thereby, reinforce our developmental agenda.

11. We all know that foreign investors prefer countries where the economic fundamentals are strong. Reference is often made to factors such as currency stability, adequate infrastructure, size of market, and the labour situation. But even more fundamental to foreign investment is the security environment. There has to be domestic as well as regional peace and stability. Enduring tension will benefit none of us.

12. In fact, the peace dividend, in today's globalised context, is more than just the additional domestic availability of resources. It also includes the innumerable regional collaboration opportunities that become available. We also, thereby, become far less vulnerable to global economic shocks and downturns.

13. There are perhaps no readymade solutions to what has kept us from coming together for so many decades. But to pawn our future to despair is no option either. We have all seen how the limited resumption of business exchanges and people-to-people contacts between India and Pakistan has already contributed to the rise of a new optimism in our region. We must preserve and accelerate such steps across the subcontinent. They can help resolve our differences in a way that old hostility or new distrust never can. Peace is in everybody's self interest. We only need the courage of conviction and the determination to seek peace in the face of all negative persuasions and blandishments.

14. If we do not provide legitimate avenues for commercial interaction, then illegitimate channels come into operation. Decades of tension have resulted in predatory economic structures based on illegal cross-border activities including smuggling, narcotics, arms trafficking and support to disaffected terrorist and insurgent groups. The people who have become wealthy through this criminalised economy fund and sustain divisiveness

in order to inhibit regular economic and social exchanges. This has to be put an end to. A more participatory involvement in legitimate, cross-border economic exchanges has to be promoted so that the peace economy triumphs over the nefarious one.

15. SAARC processes, particularly our negotiations on free trade, must make greater headway. A liberal trade treaty with India has significantly narrowed Nepal's trade deficit with us. India's Free Trade Agreement with Sri Lanka, signed in 2001, led to an increase in Sri Lanka's exports to India by around 137% in just one year. The success of the India-Sri Lanka Free Trade Agreement has inspired us to expand its scope to cover services and investment in a comprehensive economic partnership agreement. These examples show that we must discard the myth of asymmetries in economies inhibiting smaller countries from benefiting from closer economic integration within South Asia.

16. We have assets that few regions have. We have a demographic advantage in our young populations. They are the mainstay of our human resources. Our people have impressed global corporate corridors with their technical, financial and managerial expertise. Their energies and talents must also be given application in regional cooperative enterprises. Our technological advances have put us at the vanguard of today's Knowledge Economy. The size and increasing purchasing power of our collective market creates economies of scale. The rich diversity of our bio-resources – in the Himalayan region and elsewhere – are yet to be exploited for our common benefit. We can have a common network of financial institutions in the banking and insurance sectors. We can look at education, health and housing sectors, which will fling open huge markets to businesses in all our countries. Intra-regional investment flows also have great potential.

17. Let us think then of a comprehensive regional economic partnership. South Asia has vast untapped capacities for hydropower and unexploited hydrocarbons, which can more than meet its huge energy deficit. Nepal and Bhutan today have an estimated potential of 100,000 MW of environmentally clean hydropower. They need to create wealth for their societies by profitably selling these energy resources. The hydroelectric projects in Bhutan illustrate this dramatically. Bhutan's per capita income of USD 600 per annum today is expected to double by the end of 2005, when just one project, the 1020 MW Tala power plant is completed.

18. The optimum management of our water resources for irrigation, navigation and flood control can similarly have a multiplier effect on infrastructure, development and growth in our entire region. This requires not only financial investments, but also maturity of policy.

19. Friends, India is willing to move forward rapidly with a South Asia strategy that will help the economic integration of the subcontinent. Let us create softer and safer national boundaries so that the region becomes an economic area that offers profitable, competitive and enriching partnerships to all of us. We can collaboratively create an alliance for an affluent and amicable Subcontinent. In the past, by fragmenting our people and our markets, we have allowed ourselves to realize only a fraction of our worth. A South Asia with one currency, one tariff regime and free movement of goods, services and people is well within the realm of possibility.

20. We can also look at innovative trilateral arrangements across regions. We have concluded a number of free trade arrangements with many countries of Asia. During my recent visit to Iran, I proposed to the Iranian leadership that India, Iran and Pakistan could form a common market to work together and provide new economic opportunities to the people of the three countries. Later, we could even extend this partnership to include Afghanistan, Central Asia and the Gulf countries to form one huge common market.

21. Pakistan, with its unique geographical position at the confluence of the Sub-Continent, the Persian Gulf and Central Asia can play an invaluable bridge role in connecting an energy-hungry India with its booming markets to those of Central Asia, West Asia and the Gulf. If Pakistan can find within itself the strength and wisdom to change its current approach towards India, there are immense benefits that it can derive as a transit route for the movement of energy, goods and people. We could then very well see this entire region rise on the tide of regional cooperation as has happened in the case of ASEAN.

22. India is proud of its achievements and confident of the future. At the same time, we are also clear that if we want to secure this future, our neighbours must become full partners in our economic progress. We wish to purposefully move forward, and move together. It is for this reason, that I have been advocating quick progress towards a South Asian Union. If

other regions could achieve this kind of Union, despite political, social and economic differences, there is no reason why we should deprive our people of this opportunity.

23. Friends, the size, population and the success of India, whether it be in the economic field or the political and social field, is a reality that should not be held against us. It should be seen as an advantage that can be leveraged for the benefit of all of India's smaller neighbours. India has no desire but to be able to build economic relations aimed at mutual benefit. There are a number of asymmetries in SAFTA. We are quite clear that bigger nations will have to make concessions to smaller nations and such asymmetries are essential to take everyone together. Whatever strengths we have built over the years in terms of technology, in terms of human resource development and capacities, we are prepared to put at the disposal of our neighbours in South Asia.

24. I would like to conclude by extending my good wishes to all of you in the SAARC Chamber. I hope that your networked determination will make you a powerful steering centre for regional integration. I call upon you to create a dense web of contacts among South Asian businessmen and serve as a key bellwether for the Governments of the region on a wide range of economic issues. You have an important role to play in encouraging the people and the Governments of the region to think and act regional, beyond the zero-sum bilateral bedevilments that have plagued us so far. I am confident that you will play this role effectively and in the process, articulate the true voice of South Asia.

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002. Address by External Affairs Minister Yashwant Sinha at the concluding session of the SAARC Journalists Summit organized by the South Asian Free Media Association.

Islamabad, January 3, 2004.

Gentlemen,

Ladies and Gentlemen,In the three years since its inception, SAFMA has gathered the reputation of being a forum that can think ahead of political developments. It has created an intellectual space that reflects media solidarity as well as a strong commitment to universalism and peaceful cooperation. I am therefore extremely happy to have this opportunity to share my views with members of SAFMA. I extend my special compliments to SAFMA and to all distinguished participants for holding these deliberations on the sidelines of the SAARC Summit. This reflects not only a great sense of occasion but also a correct judgement of the mood generated by the upswing in people to people contacts within our region.

2. It is a matter of no small significance that this forum has chosen for its deliberations the theme of access to and free flow of information. These are concepts that are as pertinent today as they are complex. They are also issues that need to be squarely addressed by each of our societies and then, by the region as a whole because they extend to the core of regional cooperation in its widest sense.

3. Information, and this by definition, means correct information, is the psychological glue that bonds people together. Information removes suspicion and misperception. At the same time, information can build confidence, trust and understanding.

4. It is said that when Woodrow Wilson went to negotiate the Treaty of Versailles, he ordered his Post-Master General to take control of all the trans-Atlantic cables so that the news from Europe could be censored. In contrast today, Governments fall over each other trying to be the first to put their message or 'spin' across to the media. And, thanks to evolution of technology, all it takes to get the word out is the cell phone. While at one time the instinct was to control, now the impulse is to communicate. Modern media platforms, backed by the latest in communications technology have

made deep inroads into traditional forms of governance and in the process, revolutionized the practice of international relations. Wars can now be seen in our drawing rooms in real time. International newspapers can be read in roadside cyber-cafes. The entire world is just a mouse click away.

5. Diverse technologies, in particular, television and the Internet, are creating a more rounded, qualitatively different and more pervasive consciousness than was created by the printed page alone. In such a world, the practitioners of information industry are less bothered about national borders than they are about time zones. In this world, the relationship between the media and governments, whether it is in the field of domestic or international relations, is based on partnership and ceases to be adversarial.

6. Given the history, politics and diversity of this region, careful thought has to be given to not only how we communicate with each other but also to what we communicate. In this situation, the medium itself often becomes the message. It will help no one in this region or for that matter anywhere else, if we communicate narrow-mindedness, dogmatism, paranoia and hostility. That would be an abuse of the call for access to and free flow of information.

7. This is where forums like SAFMA assume critical importance. They provide an opportunity for close interaction between media persons of different countries, diverse cultures and asymmetric societies. Meetings such as this can be an occasion for soul-searching by all of us. Responsibility is the flip side of freedom. Responsible projection of issues, a projection that avoids dramatization, shuns stereotypes and understands sensitivities is an essential requirement of free flow of information. This responsibility can not be dictated by Governments. It is for the disseminators of information themselves to work out these limits and to decipher the thin line where a right ends and duty begins.

8. Our region is a great contributor to the communications revolution, the process that doubles global computing power every eighteen months. Our people are in the vanguard of this revolution, helping the world solve its problems. Surely some of this energy can be channeled to solve the problems that we face in South Asia and to remove the 'information deficit' that is so evident.

9. Let us not forget that the traditional role of the media is not only to inform and educate but also to entertain. Indian films, I am proud to say, have found welcome reception all over the world. These films reflect present day realities and social trends. They show how our society is grappling with emerging issues. They deal with human situations that transcend the confines of national borders. The universal language of film can go a long way in removing mutual suspicions and changing mindsets. To give an example, one Indian - Raj Kapoor - has crossed borders, surmounted language barriers and found his way into countless hearts. He has probably done more for people to people contacts than dozens of treaties.

10. These are clearly long term issues that require thought and sustained work. Yet, we must all find reassurance in the fact that there are several positive factors working in favour of the objectives of SAFMA. The imperatives of technology, the self evident logic of regional cooperation and the overwhelming and spontaneous desire of the people of our region to live in friendship and peace are a few among these.

11. Friends, I am aware of the difficulties involved in making access to and free flow of information a reality. There are differences in the polities of our countries and in our cultural sensibilities. There are legal issues to be addressed and harmonized. There is also the historical baggage of distrust to be shed.

12. We all agree on the need to free the movement of media and media products within the region. But we hesitate when it actually comes to implementing supportive measures. The biggest non-tariff barrier we encounter in this process is the suspicion in our minds. Trust me; we are not protecting our respective economic interests by these unfounded apprehensions. We are not threatening our respective cultures. We are only limiting opportunities for better understanding amongst ourselves, for our growth.

13. In the 21st century, information cannot be confined within national boundaries. This is a reality we must accept. Today, insatiable public demand propelled by the process of globalization and rapidly advancing technology are rendering ineffective all barriers to the free flow of information. Moreover, the imposition of such restrictions on the free flow of media products is, in effect, a means of dis-empowering the already marginalized poor. The poor cannot access the Internet while the rich can. So, all we achieve is to deprive

the already deprived. Such restrictions are also tantamount to encouragement for violations of intellectual property rights because all they achieve is growth in piracy of various media products.

14. India is a country which is completely open to the flow of media products from outside, except for some unavoidable reciprocal restrictions. Sadly, we are also a society about which ignorance abounds even within our immediate neighbourhood. We are also target of disinformation, propaganda and false type casting. People are often surprised to learn that India has the second largest muslim population in the world. They are unaware that around 150 million people who profess the great faith of Islam live and thrive in India. I wonder, is it that a persistent barrage of propaganda turns even the biggest untruths into popular belief?

15. Let me use this occasion to issue a fervent appeal to Pakistan and Bangladesh, the only two Governments of SAARC, who continue to restrict the free flow of media products into their countries. Please consider, and I am appealing to my friend Mr. Khurshid Mehmood Kasuri who is here, for a change in your policies. Indian newspapers, magazines, music, films and television are not going to undermine any society in this region. Let us break-down these artificial walls. The time has come to end this self-defeating approach. South Asia must rise above such shortsightedness. In the past, the melody of Rafi and Noorjehan and the poetry of Tagore and Kazi Nazrul Islam wafted across our frontiers to a common heartbeat. Let us not, so much later in the day, still hinder one from enjoying another's creativity, or joining with the other to find fresh and inspiring expression. Let us have the courage to recognize the extremely important role that the media can play in leading the people of our region onto the path of peace and prosperity.

16. In fact, I would strongly recommend that we decide and start working, in a short term framework, towards the goal of a South Asian Common Information Space. Let our thoughts, ideas, creations freely interact, building further on our commonalities. Let our understanding, at the popular levels, be further deepened, to create fresh synergies for cooperation and addressing differences.

17. Friends, I am also aware of the specific demand of SAFMA for the free movement of media persons. This is an issue close to the heart of India. It is an absolute shame that the doyens of our media find it impossible

to visit each other freely and travel across the length and breadth of our countries. Some arrangement, as has been made for the leaders of our business and industry, can certainly be explored. The Information Ministers of SAARC countries are currently engaged with these issues.

18. Let me deviate here from my prepared text and add a few comments. India will wholeheartedly and enthusiastically support any arrangement made for media persons in SAARC countries to travel to each other, either with a visa or without a visa. I suggest that a liberal visa regime can be adopted as soon as we go back. When we meet in July for the Council of Ministers meeting in Islamabad, an arrangement for movement of media persons within SAARC can be formalized.

19. Winds of change are blowing in our region. In Islamabad, I have a sense of history. After January 6, we will be beginning a new phase in our relationships. And, I am not talking here merely of India and Pakistan. There is a new spirit in all seven countries of SAARC.

20. There were problems on Saturday morning due to which the meeting of the Council of Ministers was delayed for a while. Officials were still grappling with some issues in the drafts. However, Council Chairman Khurshid Mehmood Kasuri convened the Foreign Ministers informally and solved the problem. Agreements have been reached on issues that were considered impossible in our regional context. The Foreign Ministers ironed out all differences over the Additional Protocol on Terrorism and SAFTA. The Heads of the SAARC States and Governments are going to sign the Social Charter which will set the pace and the agenda for fighting poverty in the region. A decision was also made to initiate studies on advancing the goal of a South Asian Economic Union from 2020 to 2015 and on establishing a single currency in the region.

21. If we can do it at our level, there is no reason why SAFMA cannot also do it. I appeal to you to aid and abet us in this process. Please become our co-conspirators. Help us in reaching this goal. Let us leave the mistrust, suspicions and the baggage of history behind. Let us make a brave new beginning.

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003. Excerpts from the interview by Prime Minister Atal Bihari Vajpayee with *India Today*.

New Delhi, January 12, 2004.

You always wanted a solution to the Kashmir problem. Do you think it is possible in your lifetime?

I remain optimistic about it. But there has to be a fundamental change in Pakistan's perspectives. During my Lahore visit, I had clearly conveyed our desire for peace and friendship. Apparently Pakistan did not believe us. Until they change their perception about Jammu & Kashmir – that because it is a Muslim majority state, it should be a part of Pakistan – no meaningful discussions can take place on this matter.

So, will problems between India and Pakistan remain as long as Kashmir is an issue?

It does not have to be so. Even while we discuss Jammu & Kashmir, we can develop our cooperation in other areas through trade and investments, cultural exchanges and people-to-people contacts. We have several important economic and cultural aspects on our agenda. This does not mean we are running away from the problem of Jammu & Kashmir or that we are not willing to discuss it. It only means improvement of our all round relations will further help both our countries approach the issues relation to Jammu & Kashmir with greater understanding and accommodation.

Would either Pakistan or India accept that the Line of Control can become the International Border?

No. Matters have not yet reached the stage of discussions on such matters.

If it is left to you, what will you do? What is your solution to this?

Why leave it to me? This is a subject of grave national importance and it has to be resolved with the collective wisdom of the people.

America also has a role to play. Is it a constructive role?

Yes. In recent years, it has been making genuine efforts to promote peace in our subcontinent – as a friend, not a mediator.

So, is America a good friend now?

As I have said before, as two democracies, India and USA are natural allies.

What is your opinion of Musharraf? Do you feel he can be trusted?

It is not a question of trust. We have issues of bilateral importance and mutual interest to discuss with the political leadership of Pakistan, if the objective conditions permit it.

Some people in the Sangh Parivar believe your peace initiative is a sign of weakness?

In fact, the Sangh has welcomed the peace initiative. They have issued statements welcoming the SAARC Summit, the resumption of air, road and rail links between India and Pakistan and of people-to-people contacts, including sporting links.

Will any bilateral meeting take place on the sidelines of the SAARC Summit?

A number of bilateral meetings with other SAARC leaders have been scheduled. Naturally, I will also interact with our Pakistani hosts at the Summit.

Do you believe Pakistan is under pressure from America to restore ties with India or is its own initiative?

I do not know about pressures on Pakistan, but I do believe that USA wants peace and friendship on our subcontinent. Whenever we meet leaders of other countries, they enquire when dialogue can commence between India and Pakistan. This is not pressure.

In a different way, we are all under pressure – the pressure to seek peace instead of hostility, development instead of violence. We proceed from the understanding that in today's world, political wisdom lies in resolving differences and promoting economic growth and development. We hope Pakistan will also act according to the same realization.

Is there any condition that has to be fulfilled for you to be ready to talk to Pakistan?

I do not wish to repeat what we have said so many times before on this subject.

Does Pakistan see us as an enemy?

I think the perception of India among the Pakistani people is changing. All our delegations which have returned from Pakistan, as well as Pakistani delegations which have come here, have consistently talked about the desire to have peace and friendship.

Cross border terrorism has not stopped…

We now have a ceasefire along our International Border, the Line of Control and the actual ground position on Siachen. Let us see whether this leads to further positive developments.

Is there a nuclear option? Any possibility of Atalji pressing the nuclear button?

The only button I will press is of an electronic voting machine! It is madness even to contemplate nuclear war. Our nuclear weapons are meant to be a deterrent.

What direction do you want India's foreign policy to take?

I think our strengthening network of international relations shows that our foreign policy is vibrant and forward-looking. Our robust economy is also changing the way the world is looking at us.

Unlike today, when India is a darling of the world, we were the target of global rebuke after Pokhran-II in 1998. In retrospect, was the decision for nuclear tests the correct one? Has it helped India?

It was definitely the correct decision. Most countries of the world today recognize this, though they may not publicly admit it. Our nuclear tests strengthened our national security in a strategic sense.

What about relations with China?

Our bilateral relations with China are improving steadily[1]. We have

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1. In this connection it is relevant to recall the position taken by China when her attention was drawn to media reports of a letter purportedly written by the United Liberation Front of Assam (ULFA), a resurgent group requesting safe passage through Chinese territory for its

made great progress in economic cooperation. During my recent visit to China, I had very fruitful discussions with the new leadership of that country.

China, Russia and India can make common cause against America...

We are not seeking to make common cause against America. Whatever dialogue our three countries have had, related to cooperation for the benefit of our countries and not against America or against any other country.

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members seeking to escape the armed operation against them by the Royal Government of Bhutan in December 2003. The Spokesman of the MEA said on January 1, 2004: "They (the Chinese) have conveyed that the Chinese Government attaches great importance to the development of its friendly and cooperative relations with India; that China has always followed the policy of non-interference in the internal affairs of other countries and will not allow its territory to be used by anybody for activities against other countries; that the Chinese side has not received any letter of the kind referred to in the media reports; that it will closely monitor the developments of the situation; that they believe that the Chinese frontier forces are capable of safeguarding the security and stability of their border area; that the Chinese side has taken note of the concern of the Indian side in this regard and would keep in touch with the Indian side on these matters."

004. Statement by Permanent Representative at the United Nations Vijay K. Nambiar at the handing over ceremony of the Chairmanship of G-77.

New York, January 16, 2004.

We would like to convey our deep appreciation to the Kingdom of Morocco for the effective leadership it has provided to the Group of 77 in the past year when the developing countries had to deal with many important questions. These have been ably detailed in the Statement of H.E. Mr. Taib Fassi-Fihri this morning prior to his handing over the gavel to your Excellency.

2. Ambassador Mohamed Bennouna and his team the Group with patience and dedication during the 58th Session of General Assembly, ECOSOC sessions and other important meeting including CSD XI. Morocco deserves our gratitude for hosting the Ministerial Conference on South-South co-operation last month in Marrakech, which had resulted in the successful adoption of the Marrakech Declaration and Framework of Implementation.

3. We welcome the Minister of States for Foreign Affairs of Qatar, H.E., Mr. Ahmad bin Abdullah Al-Mohamoud, Ambassador Nassir Abdulaziz Al-Nasser and his team on their taking over the Chairmanship of the Group of 77. We are confident that Qatar will provide effective leadership to the Group this year in collectively meeting the several challenges that confront us. As we enter the 40th anniversary of the G-77 we have several important tasks before us. These include, inter alia, the follow up of the Doha Round of multilateral trade negotiations, the forthcoming UNCTAD meeting is Sao Paulo and the SIDS meeting in Mauritius. We would like to assure Qatar of the full support and cooperation of the Indian Delegation and wish them every success in leading the Group of 77.

Thank you, Mr. Chairman.

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005. Speech by External Affairs Minister Yashwant Sinha: "After the SAARC Summit: Vision for South Asia," at Woodrow Wilson Centre.

Washington, January 20, 2004.

I am happy to be at this at this Centre, named after a great American leader and champion of democracy. It is always a pleasure to interact with representatives of the Washington Corps of strategic and foreign policy experts, which is such an important part of this city's political and intellectual landscape.

My visit to Washington takes place as both our Governments enter the last lap in their current tenures in office. The last three years have been a truly tumultuous period for the world. Later day scholars would certainly count this as one of the defining moments in contemporary history. It marks the launch of a world war against terror.

This has been an equally extraordinary time for India – U.S. relations, a period in which we have decisively turned away from the doubts and distance of another era to embark on a journey towards close friendship and a new relationship. Last week, we reached another milestone as Prime Minister Vajpayee and President Bush outlined the next steps in our strategic partnership – cooperation in civilian nuclear activities, civilian space programme and 'dual use' goods and technologies, besides expanded dialogue on missile defence. The statement by two leaders underscores their personal commitment to complete the process of qualitatively transforming India-U.S. relations.

We can be proud of what we have achieved so far and confident about the future of our relationship. The nature, level and frequency of dialogue are unprecedented in the history of our bilateral relations. We are guided by a vision that extends beyond specific issues and immediate horizons. Our interests and positions do not always coincide, but they do not become source of conflict or confrontation. Our cooperation has deepened across a wide range of subjects. We are exploring frontier areas of science and technology, developing vaccines against communicable diseases, pursuing transformational technologies for clean energy, making our environment safer, strengthening mutual capabilities in combating terrorism and cyber crimes, and discussing ways to deal with transnational threats and proliferation of weapons of mass destruction. We have crossed

new thresholds in defence cooperation, high technology commerce and strategic trade. Bilateral trade is showing strong growth, and we believe that the immense synergies between India and the United States, will define a new success story of international economic partnership.

Ladies and gentlemen, the last five years of the Vajpayee Government have witnessed a number of achievements on India's foreign policy front. The transformation of our relationship with the United States is, indeed, among the most important of these. The vision of the two largest democracies, placed in different situations, but linked by strong bilateral ties, bringing diverse perspectives to address their increasingly common challenges, represents an exciting possibility in global affairs.

In this era of globalisation, India and the United States have to reach out to the world to secure our interests and fulfil our responsibilities. Managing the consequences and harnessing the potential of our interdependence is vital for peace and prosperity. There is also a deeper reality: for all the uncertainties of our times, we have a unique opportunity to define international relations on the ethic of plurality and equality, consensus and cooperation, compassion and co-existence.

We have a similar vision for South Asia. For us, the global stage is our calling, but South Asia is our home. Therefore, South Asia is an integral part of our life, and naturally, a secure, peaceful and prosperous South Asia is important for our future. In political, economic and technological terms, India has made impressive strides. Driven by economic reforms, enterprise and an explosion of aspirations of a growing young population, India's economic growth has been on a high trajectory and will likely exceed 7% this year. Yet, we recognise that our own progress will be faster and more secure, when our region is bound together in peaceful cooperation, not divided by conflict and confrontation.

This is equally true, if not more, for other countries in the region. As countries around the world overcome historical memories in their drive towards a cooperative future of shared prosperity, South Asian region cannot afford to remain an isolated prisoner of political doubts, differences, and discords of the past sixty years. By coming together, we will not be able to address all our individual challenges; we will, however, find ourselves more capable of dealing with them – individually and collectively. As I have travelled across South Asia, I have sensed a strong sense of regional identity and a yearning for friendship, amity, peace and prosperity among the people.

They exude confidence in themselves and the potential of their region.

South Asia is home to one-fifth of humanity. We have rich human resource, sophisticated technical skills, vast natural resources and potentially large markets. We share a common history and heritage. We have centuries-old ties of language, religion, ethnicity and culture. We are at the centre of Asia, at the crossroads of its various sub-regions. We straddle strategic trade routes between the East and the West. With our extended neighbourhood of Iran and Afghanistan, our land mass also links the new energy sources of Central Asia with the warm water ports of the Indian Ocean in the South. We have untapped energy resources of our own. Our common rivers are a valuable resource for energy, irrigation and transportation. Yet, our intra-regional trade is still languishing below 5 % of the global trade of South Asian nations.

Friends, India's size is an asset that can be leveraged for the benefit of all of India's smaller neighbours. The myth that, because of the asymmetries in our economies, the smaller countries do not benefit from closer economic integration within South Asia must be discarded. India has no desire but to be able to build economic relations aimed at mutual benefit.

There are many examples of how South Asian cooperation can create win-win situations. Our free trade agreements with Nepal and Sri Lanka have resulted in narrowing the trade deficit of both these countries with India. In 2002 alone, exports of Sri Lanka to India grew by around 137%. The success of the India-Sri Lanka Free Trade Agreement has inspired us to expand its scope to cover services and investment in a comprehensive economic partnership agreement. Similarly, Bhutan's per capita income of USD 600 today is expected to double by the end of 2005, when the 1020 Megawatt Tala power plant is completed. Pakistan, with its unique geographical position at the confluence of the Subcontinent, the Persian Gulf and Central Asia can play an invaluable bridge role in connecting an energy-seeking India with its booming markets to those of Central Asia, West Asia and the Gulf.

Beyond economic development, a spirit of friendship and cooperation can create an atmosphere that will help us address other challenges that bedevil our region – political disputes, terrorism, drug trafficking, trafficking in persons, environmental degradation, illegal migration, sharing of resources and regional imbalances in economic development.

The SAARC Summit in Islamabad in January attracted unprecedented global attention because of what it meant in the context of India-Pakistan relations. However, there were two significant developments that should not be overshadowed by the outcome of India-Pakistan interaction in Islamabad. The two are, in fact, inter-linked by the spirit that characterised the SAARC Summit – the fervent desire to chart out a new future.

The signing of the South Asia Free Trade Area (SAFTA) Agreement is an important milestone in South Asia. It reflects the maturing of SAARC as an institution. Economists would debate the finer details of the agreement, but are united in their judgement that it takes us substantially forward in vision and substance from the ongoing negotiations on preferential tariff. The Agreement is limited at the moment to trade in goods. Reflecting the spirit of cooperation, it provides for special and differential treatment to Bangladesh, Bhutan, Nepal and Maldives.

This is a first step in realising a broader vision of a South Asian Economic Union, with a single currency. It also gives us all confidence to pursue many other institutional arrangements for South Asia, such as a Poverty Alleviation Fund, for which we are willing to commit U.S. $ 100 million to be used by other countries; a South Asia Development Fund; a South Asian Development Bank; and, even a South Asian Energy Grid.

If SAFTA was our common commitment to a prosperous future, the Additional Protocol to the SAARC Convention on Terrorism of 1987 reflects our shared resolve to address the region's greatest security challenge. When South Asia frees itself of terrorism, it will not only herald a new era of peace in the region, it will also contribute immensely to the efforts to combat terrorism around the world.

The SAARC Summit also marked the commencement of a new and important phase in India-Pakistan relations. Prime Minister Vajpayee met President Musharraf and Prime Minister Jamali on the margins of the Summit. We issued a Joint Press Statement in which President Musharraf reiterated that Pakistan would not permit any territory under its control to be used for terrorism. The two sides have also agreed to commence the process of the composite dialogue in February 2004. We have expressed confidence that the resumption of the composite dialogue will lead to peaceful settlement of all bilateral issues, including Jammu and Kashmir, to the satisfaction of both sides.

India remains committed to beginning the process of dialogue in February. Although, in the course of the year, there will be elections in India, it should not affect this process of dialogue since there is a broad political consensus in its favour within our country.

For Prime Minister Vajpayee, peace and friendship with Pakistan has been an abiding vision, not only for the sake of the people of India and Pakistan, but because of the salutary impact it will have on the fortunes of the entire region. He articulated his vision through a visit to Lahore in February 1999. He sought to resuscitate the peace process in Agra in July 2001. And, he launched another initiative in April 2003 in Srinagar.

We are happy that both sides have taken a number of confidence building measures over the past few months. Just last week, the rail link between the two countries was resumed. We hope that in the coming weeks we would be able to operate multiple routes in multiple modes of transport - routes that have been closed for decades or those that have never functioned, such as the Srinagar-Muzaffarabad road link.

India and Pakistan must continue in this direction. Both Governments must read the message in the outpouring of support among the population of both countries for the peace process, and the enthusiasm with which people from various walks of life – politicians, corporate leaders, small entrepreneurs, artists, judges, scholars, fashion designers and ordinary people – have established contacts across the borders.

It is our duty to redeem their hopes and meet the challenges that will surely come in the way – not merely from the opponents of peace and the instruments of terror, but also from the bitter legacy of our history. There have been moments in the past when we have eagerly ridden the crest of optimism, only to find ourselves in the trough of disappointment and bitterness. One of the biggest enemies of the peace process is expectation running ahead of reality. We are entering a complex process. We won't reach solutions overnight. What is, however, entirely possible and within our control is to stay engaged.

Recent developments have demonstrated one simple truth – our chances of resolving the most contentious issues are higher, when we tackle them in a warm, friendly and supportive environment. If India and Pakistan nurture the ties of kinship, commerce and culture; if we emphasize all that we have

in common, we will be able to smoothen the fault lines in our relationship.

This is equally true for all South Asian countries. All of us face the test of diplomacy and statecraft in sustaining the momentum that the SAARC summit has generated. The problems in South Asia, whether they are political, economic or security-related, are internal to South Asia. Of course, in our interdependent existence, developments in South Asia have an impact on the rest of the world, just as events elsewhere have an impact on us. Therefore, what happens in South Asia would be of interest to other countries. But, I do not believe that any form of external role can succeed in, or is relevant to, these processes. The people of South Asia have to find answers to the questions themselves. There can be no other way to arrive at durable solutions to the problems of the region.

Friends, it is my belief that we in South Asia must pay attention to the broader changes taking place in the world. We must be sensitive to the revolution of expectations taking place in South Asia. We must heed the call of the new era. There is absolutely no reason why South Asia should count among the poorest regions of the world, when it is so rich in every resource.

To achieve our vision of peace and prosperity in South Asia, I would like to use this forum to propose that the countries of the region adopt a ten-point agenda. We must, together, -

1. Advance democracy and strengthen democratic institutions throughout the region to ensure good governance.

2. Commit ourselves to resolve all disputes with each other through peaceful means.

3. Abjure support and actively prevent the activities of forces who seek to undermine the security and stability of each other.

4. Cooperate in combating terrorism, and other forms of cross-border crimes; such as trafficking in narcotics, arms and human beings; smuggling; money laundering and illegal migration. In this context, I would like to draw attention to the courageous action taken by His Majesty the King of Bhutan and his Government against insurgent groups, which were trying to use Bhutanese territory to launch terrorist activities in India. It is an outstanding example of how a small nation can show the will and determination to act

against powerful non state actors in the interest of its security, in the process advancing the security of its neighbour. Through its action, Bhutan has not only prevented violation of the sanctity of its territory by external terrorist forces, it has also made a major contribution to the global war against terrorism.

5. Adopt national policies that encourage broad-based economic development and address the concerns and sensitivities of our diverse population groups.

6. Foster greater economic engagement, cultural interaction and people-to-people contacts in the region.

7. Invest in cross-border infrastructure projects for energy, transport and water resources.

8. Invest in special funds and programmes for poverty alleviation, health care, education and environment management. We can use India's space assets, for example, to provide tele-medicine in remote areas of SAARC region.

9. Create a climate of opinion that emphasizes our South Asian identity and the many currents of commonalities that flow through our nations.

10. Work towards creating a common economic space, and, eventually an economic union.

Let me conclude with a quote from Prime Minister Vajpayee's speech in Islamabad. He said,

"We have to change South Asia's image and standing in the world. We must make the bold transition from mistrust to trust, from discord to concord, and from tension to peace. … we have the potential, talent and resources to make South Asia an economic powerhouse of the world. We only need the necessary political will to make this happen. This is the agenda which we leaders of SAARC should strive to advance in the coming years."

Friends, India is ready to do everything that is necessary, to walk as many extra miles as may be required, to make this vision a reality.

Thank you.

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006. Seventh Dinesh Singh Memorial Lecture by External Affairs Minister Yashwant Sinha "12th SAARC Summit and Beyond".

New Delhi, February 3, 2004.

Chairman of the Indian Council for South Asian Cooperation (ICSAC), Sri I.K. Gujral,

Ambassador I.P. Khosla, Member Secretary of ICSAC

Excellencies, Distinguished guests, ladies and gentlemen,

I would like to thank the Indian Council for South Asian Cooperation and the Indian Council of World Affairs for having invited me to deliver the Seventh Dinesh Singh Memorial Lecture.

Sri Dinesh Singh was a towering personality who left a distinctive mark on the politics of our country as well as its foreign policy through his long and distinguished career in the Parliament and as Foreign Minister. I consider it a privilege to be invited to deliver this lecture instituted in his honour by the ICSAC. I understand that the ICSAC was founded by Sri Dinesh Singh and he guided its activities as President from 1986 till his passing away.

The topic of today - "Twelfth SAARC Summit and Beyond" is both relevant and appropriate since it provides a useful framework to assess the recent Summit, with an eye to the future. My intention is not to go into the details of what happened or did not happen. Post mortems of the Summit have been, by now, very extensively conducted. Instead, I would like to address the issue of why SAARC was able to make the advances that it did at the Summit and the lessons India needs to imbibe from the same for the future.

Friends, as you are well aware, the highlights of the Islamabad Summit were an agreement on the SAFTA, the conclusion of an Additional Protocol to the SAARC Convention on Terrorism and the signing of the Social Charter. Less reported but equally significant was also a decision to initiate a study on advancing the deadline for a South Asian Economic Union from 2020 to 2015, including on a common currency. This was, in fact, an Indian proposal, which won prompt and quick support at the meeting of the Council of Ministers.

Although SAARC was formed eighteen years ago, it is really in the Twelfth Summit at Islamabad that South Asia, as a region, awakened to the benefits of regionalism and came together with a joint economic and social agenda to effectively help in the integration of our seven countries. The agreements and decisions of the Summit represent a significant and innovative breakthrough in the process of establishing the inter-relationship between economic development through trade and integration, ending terror and violence and the elimination of poverty in our region. For example, the fairly quick conclusion of SAFTA, after a period of excruciatingly long negotiations under the SAPTA process, reflects the acceptance by all SAARC members that South Asia constitutes a natural trading region and that economic and commercial barriers within the region must inevitably fall. Similarly, the conclusion of the Additional Protocol represents a willingness on the part of SAARC countries to substitute theological debates over the definition of terrorism with a concrete plan of action. Likewise, the Social Charter marks the recognition that the fundamental task confronting the region is poverty and addressing this reality can brook no further delay. Finally, the decision to look into the possibility of a common currency and examine whether the goal of a South Asian Economic Union can be advanced symbolizes the keenness of SAARC to speed up its integration progress in the face of a globalized world.

Considering the track record of SAARC, the remarkable results achieved have come as a surprise to many people. It is, therefore, worthwhile to examine how have we come this far and what is needed to keep this process on track?

Friends, there is growing recognition of the economic benefits of regionalism across the world. The events of September 11, 2001 and the war against terrorism has also acted as a major cementing factor between nations across the globe. Both these developments have contributed to the lessening of inter-state tensions in several parts of the world and we see the same happening in South Asia too.

At the same time, the outcome of the Islamabad Summit is, equally, product of a slow but steady change in the ‘mindset’ of our neighbours towards India. This change, in turn, is to a large extent, the fruit of a conscious policy shift India has made towards the region as well as its perseverance in advocating the virtues of regionalism.

Let me elaborate this aspect in greater detail. How have India's policies evolved?

The best way to address this question is to place it in the context of traditional stereotypes regarding India's relations with the neighbourhood.

What have been the most common complaints against India?

They are :

(i) India has a 'big brother' approach to its neighbourhood. It seeks hegemony and has its own version of a Monroe Doctrine for South Asia. India is neither sensitive nor generous to its smaller neighbours. We neglect them and instead, run after the West.

(ii) India is niggardly in its approach on economic matters. We are unwilling to share the fruits of our prosperity and we nit-pick over petty issues.

(iii) We have boxed ourselves into the Subcontinent and have a 'frog in the well' attitude.

(iv) Our approach to SAARC is negative. Ever since its inception, we have seen it as a forum for others to gang up against us. We are consumed by the fear that bilateral disputes will be dragged into SAARC and are convinced that each of our neighbours is conspiring to do so.

Friends, irrespective of whether these charges have any substance or not, India, in the recent past, has traveled many miles to try and address each and every one of them.

For example, the neighbourhood has been a very clear political priority for this Government. We have, across the board and at all levels, established close interaction with our South Asian counterparts. I started my tenure with personal visits to each of the SAARC countries and in the last one and a half years, have already visited Bangladesh and Sri Lanka for a second time. Every multilateral event has been used to strengthen these contacts and to consolidate these relationships into personal friendships. Happily, leaders of our neighbouring countries have also visited us on a regular basis and a red carpet has been extended to every one of them.

Details of high level visits in just the last year and more will illustrate the point I am making. From Sri Lanka, over and above numerous private visits, the Foreign Minister visited India once, the Prime Minister twice and the President once. The Bangladesh Foreign Minister visited us twice. King Gyanendra and Crown Prince Paras of Nepal, both visited us. Prime Minister Surya Bahadur Thapa visited us once before assumption of charge and once after assumption. From Bhutan, King Jigme Singye Wangchuck as well as Crown Prince Kesar Namgyal Wangchuck visited India.

Lest it be felt that sensitivity to our neighbours has been restricted only to the top echelons of power, let me point out that we have encouraged contacts between all sections of our respective societies, be they businessmen, journalists, scholars or the common man. India's initiatives to reopen road, rail and ferry links with Pakistan; the Open Skies arrangement vis-à-vis Sri Lanka; the optical fibre backbone across the Nepalese Terai as well as the Rail Agreement with Nepal, the new ICD terminal at Birgunj, hydro-electric projects in Bhutan and Nepal, the Dhaka – Agartala bus service and proposals for ferry services between Colombo and Kochi and Mumbai and Karachi are all initiatives specifically designed to promote people to people contacts, trade and commercial interaction within the region.

Secondly, our approach towards our neighbours on economic matters has evolved considerably. Let alone demand reciprocity in trade and other negotiations, we are now institutionalizing positive asymmetry in favour of our neighbours. This is the approach we have adopted in our FTA with Sri Lanka and which we intend to continue in our discussions on a Comprehensive Economic Partnership Agreement. This is the framework we intend to use for discussions with Bangladesh on an FTA. This is also one of the key concepts embedded in the recently concluded SAFTA Agreement. The fact that Pakistan enjoys MFN treatment even while it refuses to fulfill this basic minimum obligation of international trade towards us also shows the same logic at work. We have in fact also offered to host in India next month a 'Made-in-Pakistan' exhibition to promote its exports to our country.

Many of you would recall that the report of a Group of Eminent Persons recommending the creation of a South Asian Economic Union by 2020 had been virtually forgotten till India decided to pick it up and place the idea on

the top of SAARC's agenda. This move had its share of detractors. There were voices which expressed doubt and suspicion. Some accused this Government of being naïve in our approach to the complex and convoluted politics in our neighbourhood.

But, clearly, adopting a bold stance has paid off. We showed the courage to stand up and lead from the front. And, this has brought us dividends. Not only are critics in our own country quiet, our neighbours have also begun to see the wisdom in what we are advocating. In fact, one of the most rewarding moments in Islamabad was when our proposal for a study on advancing the deadline received spontaneous support from many other SAARC members, proving the point that they do not fear a closer integration within South Asia.

Thirdly, nothing could be further from the truth than the allegation that our foreign policy is trapped in a Subcontinental framework. This Government, over the last six years, has assiduously promoted the idea that India is a major power in the world. We have articulated the concept of an extended neighbourhood for India which stretches from the Suez Canal to the South China Sea and includes within it West Asia, the Gulf, Central Asia, South East Asia, East Asia, the Asia Pacific and the Indian Ocean Region. We have also actively pursued infrastructure projects and policies aimed at expanding India's connectivity with this extended neighbourhood. The India – Myanmar- Thailand trilateral road project, the Open Skies policy announced for South East Asia and the agreement to use Chabahar Port of Iran for transit to Central Asia and Russia through Afghanistan all stand out in the above regard.

We have also been pro-active in the building of other regional groupings such as the Mekong - Ganga Cooperation and BIMST-EC, which expand India's reach beyond the Subcontinent. A few days from now, the Foreign Ministers of Bangladesh, India, Myanmar, Sri Lanka and Thailand will meet in Phuket, Thailand to welcome into BIMST-EC two new members – Bhutan and Nepal and to sign a framework agreement on free trade.

This agreement, along with SAFTA and India's Free Trade Agreement with ASEAN will together result in an unhindered economic space from Pakistan to the Philippines. In fact, if my proposal for an India-Pakistan-Iran Common Market finds acceptance, this economic space will extend all the way up to Iran. It must also be noted in this connection that the transport

corridors India is creating to the east and the west not only link India but also South Asia and this entire region to the rest of the world. Moreover, energy corridors that criss-cross the region are also likely to eventually become an integral part of such an economic space.

Finally, India's contributions to the Twelfth SAARC Summit alone should be more than sufficient to dispel any doubts regarding its commitment to the SAARC process. Despite tremendous risks to his personal security, Prime Minister Vajpayee had no hesitation whatsoever in indicating at an early date, his readiness to attend the Summit. During the Summit, a whole host of proposals for strengthening SAARC was placed on the table by India. The Prime Minister proposed in his address to the Summit a Poverty Alleviation Fund and indicated India's willingness to make an initial contribution of US$ 100 million for projects in SAARC countries other than India. We advocated a regional food bank and a campaign for zero-hunger in the region. India issued an unambiguous call for the free movement of media persons and media products in South Asia. India also proposed the establishment of cultural sub centers under the main SAARC Cultural Centre in Kandy, an idea which was welcomed by all others.

It can thus be seen that India's approach towards SAARC is positive and constructive. For us, SAARC is a means by which our entire region can progress and prosper. It is not an object of fear. Fellow SAARC members are partners in the building of a new future and not conspirators working against us.

Friends, almost a year back, while addressing a similar forum in the presence of Sri Gujral, I pointed out that the Gujral Doctrine was a continuation of the good neighbourhood policy initiated by Sri Vajpayee during his tenure as Foreign Minister in 1977-79. I also said that the present Government is not only committed to the Gujral Doctrine but prepared to move even further ahead in the direction of peace, friendship and prosperity with our neighbours. I recall that Sri Gujral at that time expressed the hope that I sincerely meant what I was saying and that these were not mere words.

I presume that the policies we have adopted over the last one year and in particular, the events of Islamabad will reassure him on this count. Ladies and Gentlemen, the most significant value addition this Government has brought to India's neighbourhood policy is the induction of a major

dose of economic content. We have persistently articulated the need for the simple logic of economics to triumph over politics and I believe, it is this approach which helped us make the breakthrough at the SAARC Summit in Islamabad.

Today, let me reiterate once again my firm belief and conviction that India should remain ready, at all times, to pilot the building of a united and prosperous South Asia. Self-confidence should be the hallmark of our approach to the Subcontinent. We should have no doubts over the fact that our interests are best served through a positive, activist and where necessary, unilateral approach to the building of mutual economic stakes and people to people contacts within the region.

At the same time, the bottom line in our relations with neighbours must remain the need to be sensitive to each other's security concerns and to neither encourage nor undertake any activity that might be detrimental to the security and welfare of the neighbour. Encouraging non-state actors, terrorists and other elements by providing sanctuary and support is not only violative of UN Security Council Resolution 1373 but can also boomerang on the countries who provide such support. We have already seen several such examples in our immediate vicinity and it would be wise for everyone to learn from these developments. Mere denials will not suffice. Inspiration should be drawn from the courage and foresight with which Bhutan has moved against elements within its borders which were threatening its own sovereignty as well as the security of India.

Friends, I believe that at Islamabad, there was a collective willingness on the part of all countries of the region to look forward. There was a clear desire to escape the shackles of history and a willingness to not only dream about the future but to also initiate action in pursuit of this dream. There was recognition of the reality that the forces of globalization are unstoppable and if we refuse to accept the need to change, we will only be left behind.

We must build on this foundation. South Asia must summon the resources of far-sighted statecraft to sustain the momentum generated by the SAARC summit. SAARC must transform itself from an association sponsored by Governments to one that is energised by the people. It must become 'people-oriented' for the progress at Islamabad to be made irreversible, for, no one will want to let go of the windfall that peace and regional integration will bring.

As mentioned by our Prime Minister in his opening address at the Summit: “The bonds of religion, language, ethnicity and culture which hold us together as a South Asian family are far more enduring than the relatively recent barriers of political prejudice we have erected”.

Ladies and gentlemen, there is, in India, genuine pride in our accomplishments over the last five years. Change is palpable and can be seen all around us in concrete form. The success of our economy has infused our foreign policy with self-confidence and energy and vice-versa, the success of our foreign policy has given the various actors involved in our economy great vigour and drive to discover new avenues of profit.

In South Asia, suspicions are yet to be fully removed and doubts still linger. But, the spirit of trust and cooperation has started its long arduous journey in South Asia.

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007. Speech by National Security Advisor Brajesh Mishra at the 40th Conference on Security.

Munich (Germany), February 8, 2004.

“Peace, Stability and Security in Asia: India’s perspectives”

Since we have already had detailed discussions on the Middle East, I will only briefly outline India’s perspectives on the situation in that region. I would then like to share some views on political and security trends in the wider Asian continent.

2. Our connection with the Middle East - which we call West Asia - has historically been intimate. In a geographical and cultural sense, India is very nearly a part of the region. We have a considerable dependence on oil and gas supplies from this region. In addition to this, 3.5 million Indians work in the Gulf and Arab countries. They send back remittances, which are now approaching US $ 10 billion annually. Religion is also an important part of this connection. India has the world’s second largest Islamic population of about 150 million - next only to Indonesia - and the regular visits by our Muslims to holy shrines in the region create another cultural

and emotional link. India, therefore, has a vital political, economic and strategic interest in peace and stability in the Middle East region.

3. On the Arab-Israel front, we had hoped that UN Security Council resolutions 1397 and 1403, universally endorsing the goal of two separate States of Palestine and Israel, would move the conflict towards resolution. The evolution of the Quartet Road Map and Arab League Peace Plan should have given a forward thrust to the attainment of this goal. Yet, what we saw during the last year was a continuation of the endless cycle of violence and terror, which set back even the little progress that had been made by September 2000.

4. I think the developments of the last year have confirmed three important points. First, there is a widespread fatigue with violence and a deep desire for peace. We can see this from the various unofficial explorations of ways out of the current impasse. This process deserves wider support from official channels. Second, the great leverage of the United States with all the parties to the conflict is an important determinant of the future course and needs to be exercised to maintain the positive momentum. This is not to belittle in any way the contribution of the European countries in bringing the various parties to the negotiating table. Third, it is a widespread conviction that President Arafat remains the only credible leader who can coordinate all streams of Palestinian opinion. Excluding him from the process would not serve the cause of peace.

5. On Iraq, debates continue within the international community on the legitimacy of the military action; on unilateralism versus multilateralism, and on doctrines of pre-emption. While this is part of a search for new ground rules in an emerging world order, we must also focus on the immediate requirements of that country.

6. The ground situation in Iraq has become even more complex after the fall of Baghdad in April last year. The security environment has prevented any substantive progress in reconstruction. The international community has to participate meaningfully in the efforts for early transfer of sovereignty to an Iraqi Government. It is important that this process is accepted by the Iraqi people as transparent and truly representative of the internal political, economic and social currents. This is why UN participation is so critical. The challenge is to create a multi-cultural, multi-ethnic secular democracy, while preserving Iraq's territorial integrity. There have to be secure

constitutional guarantees for the political and social rights of minority groups. A break up of Iraq on ethnic, sectarian or religious grounds would be a catastrophe for the region and for the world.

7. I believe that every one of Iraq's neighbours shares these perspectives. All of them can exert a positive influence on Iraq's political revival and economic reconstruction. Our reading is that they are willing to do so, if they are approached. We have to harness their energies and tap their influence.

8. As we have publicly announced on a number of occasions, India is ready to assist in every possible way in the reconstruction of Iraq's infrastructure and the development of its human resources. We have pledged US $ 20 million bilaterally and US $ 10 million multilaterally through the trust funds set up by the Madrid Donors' Conference. We are willing to respond to any further requests from the Iraqi people.

9. Adverse security developments in the Middle East region immediately impact on South East Asia and beyond. We have seen the proliferating influence of linkages between terrorist groups based in the Middle East with those in South Asia, Central Asia and South East Asia and the Asia Pacific. UN Security Council Resolution 1373, with subsequent resolutions and conventions, reflected a strong international consensus on dealing with terrorist linkages, including financial transfers. However, we have not developed effective international mechanisms to translate this consensus into concrete action. The movement of people, arms and ammunition and funds from terrorist outfits through these regions needs to be firmly curbed through international cooperation, if we are to decisively win the war against terrorism.

10. This is very evident in Afghanistan, which was the first theatre of the international war against terrorism. There have been a number of indicators of hope in Afghan developments. The Loya Jirga has successfully drafted a constitution, the Central Government under President Karzai has strengthened its support base, and the reconstruction work is gradually expanding. But at the same time, we cannot ignore the resurgence of Taliban forces in the South and South East, the growth of warlordism and the inability of Provincial Reconstruction Teams to even enter some of the interior provinces. The acid test of returning normalcy in Afghanistan would be the conduct of elections later this year in all parts of the country without fear,

intimidation, violence and insecurity. This is a crucial phase, when the international coalition against terrorism cannot afford to turn its attention away from Afghanistan.

11. If we look at the larger picture of trends in Asia, there are both encouraging signs and major question marks. By and large, however, there are conducive trends for an improved security environment.

12. The development of close Sino Russian political, economic and military relations has important consequences for the Asian continent. The Shanghai Cooperation Organisation, linking these countries with Central Asia, is an important beginning for a cooperative security framework. We believe that this Organisation could be expanded and strengthened to form a wider front against the forces of terrorism and religious extremism.

13. The multi dimensional character of the strategic partnership between India and Russia makes a positive contribution to the matrix of Asian stability.

14. Recent advances in India-China relations hold the promise of far reaching geo-strategic consequences. Over the past decade and more, India and China have maintained peace and tranquility on their borders and have developed all round cooperation, even while continuing a dialogue on our differences over the border. During Prime Minister Vajpayee's China visit last year, we took an important step forward by agreeing to discuss the resolution of our boundary, from the political perspective of our bilateral relationship. Our Prime Minister has publicly stated that India is willing to take pragmatic decisions to fulfil the strategic objective of a comprehensive boundary settlement with China.

15. There have been some winds of change in South Asia, following a series of initiatives taken by our Prime Minister since April last year and positive responses from Pakistan. At Islamabad last month, our Prime Minister and Pakistan's President Musharraf agreed to recommence the process of India-Pakistan dialogue in an atmosphere free from terrorism. As with any such initiative, which follows a long period of mistrust and suspicion, we must proceed with hope, tempered with caution. But there is no denying that improved India-Pakistan relations can transform the political and security landscape of South Asia. I must emphasize that the dialogue can be taken forward and sustained only if violence, hostility and terrorism are prevented.

16. The Maoist insurgency in Nepal has seriously disrupted the political equilibrium between constitutional Monarchy and multi party democracy in that country. In Sri Lanka, the peace process is in extreme danger of being derailed by political opportunism and extreme positions. In both these countries, India has been trying to encourage the emergence of corrective impulses within these countries, so that political solutions are found, which accord with long-term national interests.

17. One of the positive trends in Asia is that regional economic cooperation is gaining an increasing foothold. ASEAN is already a success story. It is now expanding economic and trade links with major economies like those of Japan, China, Korea and India. As the Indian Prime Minister said at the India-ASEAN Summit in Bali, and I quote,

"If the 14 of us combine into a broader Asian Economic Community, it can promote our overall economic competitiveness and create a new engine of growth for the entire region. There has been extensive examination of this idea by intellectuals and economists in our countries. It is an idea for the future, when all of us feel more comfortable about closer economic integration." Unquote

18. Similarly, SAARC, after being in limbo for many years, is showing healthy signs of revival. At the Islamabad summit last month, SAARC leaders agreed on the framework of a SAARC Free Trade Area (SAFTA). As the Prime Minister of India said on that occasion, and again I quote,

"Any joint endeavour needs mutual trust and confidence. For many decades, South Asian countries - which have a complex and troubled colonial legacy - have been unable to forge an integrated economic understanding, circumventing political differences.

Mutual suspicions and petty rivalries have continued to haunt us. As a result, the peace dividend has bypassed our region.

History can remind us, guide us, teach us or warn us; it should not shackle us. We have to look forward now, with a collective approach in mind." Unquote.

19. Along with a realization of the stabilizing influence of regional economic cooperation, is a growing recognition that Asia's energy resources and its fast growing demands for these fuels can create a new cementing

factor in Asian relations. Energy transfers and establishment of new routes of transportation can create mutual linkages and economic benefits, which can help to sink political differences, dispel historical suspicions and soften ethnic confrontations. This is an area of promise - as yet untapped - in intra-Asian relations.

20. The strengthening economic linkages between the Asian countries, US and EU today also have a beneficial influence on political and economic stability in Asia. In fact, trade and economic exchanges with Asia fund an increasing proportion of the US budget deficit each year.

21. There is a wider question of multilateral approaches to the security issues of today. Approaches to security based on conventional alliances, arms competition, deterrence and diplomacy have been less than effective in coping with the challenges posed by terrorism, suicide attacks, WMD proliferation and failing states. Asia, both as source and destination, has witnessed proliferation of WMD.

22. Extraordinary measures are being contemplated to guarantee security from these challenges. A multilateral consultative machinery with international credibility can provide legitimacy to such measures. But for it to be effective, it has to be evolved with wide and representative consultations. I would also add that clubbing partners against proliferation with countries of true proliferation concern is a self-defeating approach, which can only weaken the cause of genuine non-proliferation.

23. So, outside of the Middle East, there has been some progress in a gradual phasing out of distrust and suspicion among Asian states. The powerful forces of globalization are being augmented by the productive potential of regional integration. Preserving the inherent pluralism, and respect for heterogeneity are essentials for a stable security equilibrium in Asia. The security forums in Asia are making headway in evolving CBMs and in tackling terrorism, piracy, maritime security and transnational crimes.

24. India will, of course, contribute to this process in every possible way. We are committed to reshaping our regional environment through sustained dialogue and engagement.

Thank you.

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008. Highlights of the Intervention by External Affairs Minister Yashwant Sinha at the 25th Meeting of the Ministers of Foreign Affairs of G –15.

Caracas (Venezuela), February 27, 2004.

Agenda Item II

Challenges facing the G-15 and its vision, orientation and objectives.

- Our meeting of today is an opportunity to engage in serious, deep, frank and collective assessment of the successes and failures of the G-15.

- The G-15 is now 15 years old. We must recognize that the context in which the Group was set up has changed. We must seriously consider the direction in which we would like to take the Group. We should recognize problems and confront them.

- I would like to make some concrete suggestions:

1. We should deal with issues that unite us and not what divides us. If we focus on issues that divide us, we will lose sight of the objectives for which the Group was set up. We must eschew political issues and concentrate on economic and social concerns.

2. As a Group, our approach should be pro-active and forward-looking. We should not be defensive. We must look at not just the challenges but also the opportunities that globalisation brings so that there can be more equitable results and sharing of benefits. A recent report of the ILO tells us of the pitfalls of unrestricted globalisation and the precautionary steps that developing countries should take. Globalisation should be inclusive and not lead to the marginalization of large sections of population. The key issue is management of globalisation. We should deal with it in the best interest of our people.

3. We must focus more on matters of substance and concrete programmes of action rather than on form and protocol.

4. We must look at our respective resources collectively and try to leverage and synergise them.

5. We must take full advantage of the revolution in Information and Communication Technology so that developing countries can leap frog various stages of development and become equal partners with the developed world. Many of us in the developing world have the capability to take advantage of Information and Communication Technology. India has leap frogged many stages and in all areas of technology, we are today capable of standing shoulder to shoulder with the best in the world.

6. We must display political will. There must be a clear message from this Summit that the countries of G-15 have the political will to cooperate, to take the Movement forward and to engage the North in constructive dialogue.

7. There is a feeling that industrialized countries are our most important partners and that the economic cooperation and trade with other G-15 countries is marginal. To cite some figures, intra G-15 trade increased by only US$ 100 billion when compared to overall G-15 trade creation of US $ 800 billion. We should shed this mindset and embrace new opportunities in our countries.

8. Investment is another important area. Many of the countries gathered here including India can make large-scale investments in projects in other developing countries. This needs to be explored further. We in the developing world have large natural resources, which companies from the industrial world have exploited in the past. Countries of the developing world often enjoy an uneven playing field in other developing countries. There should be a level-playing field. We should be permitted to engage in the development of natural resources, science and technology etc. in other G-15 countries. Recent experience has shown that such investments are secure and can obtain higher rates of return.

9. We should look at concrete programmes of action in areas such as food security, agriculture, energy security, pharmaceuticals, public health and human resource development.

- I welcome the suggestion contained in the report of Personal Representatives that we identify some areas for special attention. We should look at them seriously. We should pick up few areas for concentrated attention in the years to come and not spread our energies too thin. In this manner, we can make much more efficient progress.

- I endorse the suggestion made by my colleague from Iran that the Permanent Representatives in Geneva should continue to meet. At the same time, a special mechanism comprising people from headquarters should also meet from time to time to deliberate on concrete programmes and review progress.

  It is essential that we demonstrate the required political will to carry forward our commitment to the G-15 and its activities. The speeches at the Inaugural Session and in the Plenary here show that necessary political will is available. This augurs well. If we have the political will, we will surely succeed in our endeavours.

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* Instead of spreading ourselves too thin, we should concentrate on a few areas of cooperation to make an effective contribution. The report of the Foreign Ministers identifies the specific areas on which the G-15 should focus. For example, trade, technology and investment flows, energy, pharmaceuticals, eradication of poverty and hunger etc.

* We should not just leave matters at this. We should take the next logical step and assign a lead role to each country. India, on its part, would be willing to take the lead on pharmaceuticals. We should in fact expand the subject to Pharmaceuticals and Health Care.

* In this manner, we should create focal points for each of these areas. The focal points can then coordinate with the rest of the members.

* I would like to refer to Paragraph 6 of the Draft Declaration which deals with the Global System of Trade Preferences (GSTP) among developing countries . How do we promote trade exchanges between members of G-15? In order to move forward in this area, we should use the next meeting of UNCTAD in Sao Paulo in June to launch the third round of GSTP negotiations.

* We should give preferential access to products of interest in our countries and markets. This is the most effective way of promoting intra-regional trade.

* The total GDP of G-15 countries comes to US$ 3 trillion. The global trade of the 19 countries of the G-15 is US$ 1.2 trillion. Only 10% of this trade is, however, amongst ourselves. We cannot be proud of these figures.

The remedy is to give preferential tariff access products from the G-15 countries in our markets.

* From the next Summit, we should also bring from our respective countries representatives of business who could meet in a parallel Business Summit. While Government leaders may discuss issues and adopt declarations, actual deals have to be done by the business community. Such a Business Summit could play an extremely Important role in taking forward commerce within the G-15.

* President Chavez has put forward several interesting suggestions. These need to be carried forward. This demands political will. They should not be left as vague ideas on the table.

* The Foreign Ministers of the Troika could be charged with the responsibility of examining each of these suggestions. They could be asked to come up with programmes for concrete action. Good ideas should be translated into practice. The Foreign Ministers could consult experts and report back to the next Summit. At the next Summit, we could discuss these ideas and concretise them.

- Problems of development and disease in Africa have been discussed around this table. I compliment the leadership of the African Continent for coming together in the African Union, for their commitment to democracy and their commitment to development through the NEPAD. We in Asia and Latin America are doing reasonably well. But, the problems of development and the need to combat pandemics such as HIV AIDS, Malaria, TB etc. in Africa is a matter of concern.

* G-15 should create a Fund for Africa in collaboration with NEPAD. Should such a Fund be created, India would be willing to contribute US$ 100 million. This could be coordinated between the NEPAD Secretariat and G-15.

* Responsibility for assisting Africa should not be left just to the developed countries. G-15 should reflect the commitment of developing countries to help other developing countries.

* Using the available political will, we should relaunch G-15 in the spirit of Bandung. G-15 should be enabled to play a very important role in engaging the North in a spirit of dialogue.

* The most important lesson of Cancun was that some of us had the courage and conviction to stand up for our interests. We should say no to the industrialised countries when we feel that our interests are not being served.

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009. Address by External Affairs Minister Yashwant Sinha at *INDIA TODAY* CONCLAVE 2004: Building an Indian Century Session on "Geopolitics: What it takes to be a world power."

New Delhi, March 12, 2004.

I am honoured and delighted to be here today.

Prime Minister Vajpayee has outlined in the inaugural speech his vision for the building of an Indian century, which I am sure, has inspired all of us. Permit me in this session to focus on the topic at hand, namely, what it takes to be a world power or in more specific terms, the emergence of India on the world stage as a major power.

Let me begin by stating that the term 'Great Power' or 'Major Power' should not be seen in its historical context but in a modern 21st century setting. In the past, a change in 'power status' of countries invariably occurred through wars. Any quest for power is therefore immediately identified with violence, genocide, hegemony and imperialism. We are all aware of the burning desire for world conquest with which Alexander the Great invaded Asia. The scramble for dominance amongst Western nations from the seventeenth to the twentieth centuries and the terrible calamities that such pursuits brought upon the world, including on the aspirants themselves, is also well known.

It is important therefore that India distances itself from the conventional idea of power, as the ability of a nation to bend other nations to its will through coercive use of force. It is also essential to make clear at the very outset that India approaches the notion of power with an alternate vision and a deep consciousness of its responsibilities. There can be no other way for India.

India's power capabilities are a guarantee of the freedom and security of its people who constitute one sixth of humanity. For us, power is a means of advancing the welfare of our people and a tool for preserving and consolidating the autonomy of our foreign and domestic policy. What India seeks is to bind every country and region to itself with the golden chain of mutual interest and trust. What we want is to enhance our capacity to leverage reciprocal benefits for common good. Moreover, as befits India's history and the traditions of its post independence foreign policy, our pursuit of power is firmly anchored in an international mission aimed at eliminating the scourge of war, protecting international law, strengthening the U.N. and striving for a new deal for developing countries whose people constitute the large majority of the world.

What constitutes Power as far as the nations of the world are concerned? How does India perform in terms of various attributes of power? Academics divide power into two general categories - hard power and soft power. Hard power consists of elements such as military strength, economic resources and technological capacity. Soft power comprises culture, values, social cohesion, the quality of diplomacy and governance etc.

India's recent achievements in terms of hard power are many. They include the development of a nuclear deterrent; military modernization; rapid economic growth with a rate expected to reach over 8 per cent this year; transition from a food deficit, aid receiving nation with limited foreign exchange reserves to a food exporter and aid giving nation with the sixth largest foreign exchange reserves in the world; major advances in areas of high technology and global recognition of India's huge reservoir of young and world class human resources.

Traditionally, military might has been considered the most important of the various ingredients of power. The advent of the nuclear age and the rise of Japan and Germany based on their economic strength have however diluted the importance of military power in the overall calculus. Now, the use of force in naked pursuit of national interests is no longer a viable objective for moral as well as pragmatic reasons. Power in the 21st century will flow from the pores of a well-run economy. Prosperity and economic clout rather than war and aggression will be the key determinant of status in the world community.

India enjoys a critical advantage in this regard. 54% of its population

is under 25 years of age. Our young are not only highly talented and ambitious but are also amongst those who save the highest, invest the largest and spend the most. As this generation ages gradually over the next few decades, savings, investment and spending will undergo a quantum jump, providing tremendous impetus to economic growth.

Friends, it has been argued by some that India's decision to develop nuclear weapons was purely a political act aimed at enhancing its status in the world by breaking into the exclusive nuclear club. This is a fallacy. In a world where weapons of mass destruction are still to be eliminated, nuclear weapons sadly remain the ultimate guarantor of a nation's security. It was the imposition of an imperfect non-proliferation order, evidence of which is all around us, that compelled us to make the transition from nuclear abstinence to that of a reluctant nuclear power. And, it was after we, as a nation, agonized over this issue for decades, that this Government finally took the plunge six years back.

After the tests of 1998, the first thing India did was to declare a No First Use policy and a unilateral ban on testing. It expressed willingness to enter into negotiations on an FMCT. Further, India has repeatedly reiterated its commitment to a complete and universal elimination of nuclear weapons. Despite attempts to politically isolate and economically weaken India, its response was to engage the leading nations of the world in patient dialogue. Cognizance must be taken of the fact that India is a mature nuclear power, which takes the responsibility of possessing this awesome capability very seriously.

To turn to soft power, India's influence has spread far and wide since ancient times on the strength of our culture, religion and philosophy. As the land of Gandhi and as a nation that won its independence through a struggle unique in the annals of history, India has an international image that few others can claim. Similarly, our leadership of the Non-Aligned Movement, our contribution to virtually every major activity of the U.N., including over 36 peace keeping operations involving around 67,000 troops and our consistent espousal of the cause of developing countries is well recognized by the international community.

India's track record as a democracy; the success we have achieved in welding together an extra-ordinarily large and diverse society into a nation, our fiercely independent judiciary and vibrant press also stand out in any

international comparison. Moreover, yoga and Indian food, music, cinema, fashion, dance, writing etc. are all riding the high tide of globalization and winning new friends for India in far corners of the world. Needless to say, the success of our IITs and IT industry has spawned a novel stereotype of an Indian as a workaholic computer whiz kid. Ambitious forays into foreign lands by our trade and industry is also resulting in the slow but steady emergence of 'Brand India'.

Three important aspects deserve further elaboration. Firstly, India is a unique model of democracy plus economic growth in the developing world. Further, if we can sustain current rates of economic growth, we will conclusively establish that rapid economic growth and democratic systems of governance are not alien to each other. The success of Indian democracy is important not only for its intrinsic worth but also because economic progress built on the foundation of popular participation and rule of law is likely to be much more sustainable. Moreover, as India's developmental efforts take deeper root and we succeed in taking education, health and infrastructure to our rural areas, we will add significant new numbers to our scientific and technical work force and that in turn will impart further momentum to economic growth.

Friends, there is a silent revolution sweeping the Indian countryside. As a result of programmes such as the Sarva Shiksha Abhiyan, we can see today scores of young girls, marching early in the morning, many miles to the nearest school, in their smart uniforms even in far away villages. There can be no sight more inspiring and nothing can fill a person with greater faith in the future. More than any other factor, it is this revolution in rural development and women's empowerment, which will catapult India to world status.

Secondly, the very fact that we are meeting here in a conclave that is discussing the building of an Indian Century and our specific focus on the question of what it takes to be a world power implies a major change in both political attitudes and objectives that the nation is setting for itself. Shifting from the self-perception of a weak developing country to that of a great power in the making constitutes a huge mental leap for India. Although Nehru saw the prospect of India becoming one of the six major power centres of the world, we somehow lost our way in the decades that followed and became limited in our political vision as well as inward looking in

economic terms. This has changed. Today, the Indian Government as well as our business and industry are willing to both dream big and act bold.

And, this brings me to the third aspect, which relates to the field of diplomacy. It is my view that India's foreign policy has never been as complete and comprehensive as it is today. Even in the heydays of non-alignment and when India, with little hard power to back it, strode tall on the world stage, we did not have today's state of affairs, namely - good relations with virtually every country in the world.

Throughout the Cold War, we were estranged from the West in general and the U.S. in particular. Today, we enjoy a very good relationship with not only the United States but also all major Western powers. And, this has not been at the cost of our traditional friendship and strategic partnership with Russia or any other country, including our developing country partners of Africa, Latin America and Asia.

Further, we are now even thinking the unthinkable. Differences with China and Pakistan, which have festered for decades, are being addressed in a straightforward and pragmatic manner as never before. There is a new dynamic in South Asia with the signing of the SAFTA. SAARC is exploring how progress can be made towards an economic union, including a common currency. And, work has already commenced on transport and energy corridors that will criss-cross Asia with India as its hub.

The credit, ladies and gentlemen, for this extra-ordinary success goes entirely to Prime Minister Vajpayee. The Prime Minister, through his leadership and statesmanship, himself represents the different facets of India's power.

Friends, in any discussion on a country like India emerging as a major power, it is but legitimate that we ask the question - can India afford this? Is this a conspiracy of the elite to divert attention from the realities of a poor country, teeming with problems? I have no hesitation whatsoever in responding that the Holy Grail cannot be that of India unless and until we address our domestic economic and social issues. These problems are an anchor on our ambitions and they must be conquered through conscious and determined national effort, not brushed under the carpet.

However, it must be noted by those who deride and mock India's ambitions, that pursuit of power in the international community and the

need to address pressing tasks at home are not exclusive of each other. Our efforts in the international and domestic fields complement and supplement each other, especially so in a globalized world. The speed with which we address our domestic challenges will add to our influence in the international community. Vice versa, the more we emerge as a power in the world, the more we will be able to contribute to the strengthening of our economy. For example, when India stands up on agriculture issues in the WTO, we fight to preserve the livelihood of millions of poor and indigent farmers. Similarly, our ability to withstand pressure from external sources, be it after the nuclear tests or on WTO issues, is a direct reflection of the overall power India enjoys in the global arena. Likewise, when India makes investments in the energy sector in Russia, Sudan, Vietnam and Myanmar, it not only enhances its presence in these countries but also increases energy flows back home, contributing in a direct manner to raising the living standards of our people.

Let me further assert. Unity and social harmony within the country is equally a sine qua non for India's progress in the international arena. India's biggest strength is its secular and multi cultural ethos. It is a matter of pride that India is home to every religion possible and all of them co-exist and flourish within it. The fact that India's Muslim population is the second largest in the world and that its Christian minorities outnumber the entire population of many European countries is a badge of honour for us. To damage our heritage of tolerance and pluralism or to waver in upholding these principles is the biggest set back that can occur to our great power ambitions.

Finally, let me point out that while India has sought to change existing power equations in the global order, it has essentially been a status quo power that does not seek to upset the existing order through violent means. Even when the current order militates against India's interests, it has striven only for gradual, peaceful and evolutionary change.

India does not resort to export of terrorism or proliferation of weapons of mass destruction. Of all the members of the Al Qaeda arrested so far, not one has been from India. We are not part of the NPT. But, we believe in and uphold the broader non-proliferation goals of the treaty, for its frailties and drawbacks affect us as well. We do not seek to snatch territory from others or re-write the history of our sub-continent. We criticize the developed world for its unfair economic policies. At the same time, we seek to engage

the North in dialogue and to appeal to their reason and wisdom. India has repeatedly drawn attention to the undemocratic character of the permanent membership of the U.N. Security Council. But, that has never prevented us from working with the Security Council and its members in advancing the goals of the U.N. Similarly, we believe that the disproportionate dominance of a few countries in the running of international financial institutions must change. We continue, however, to effectively contribute to all activities of the IMF and the World Bank.

Friends, there is no doubt that the road ahead is long and arduous. Like all matters of international politics, the rise of India will depend not just on India's actions but also on how the rest of the world responds to this development and the objective circumstances of the coming decades. Nevertheless, India has started a confident march in the right direction and we are determined to succeed in reaching our goal.

To sum up, India's search for great power status is not an end in itself. It is but a means to improve the quality of life of her over one billion people. It is a pursuit anchored in the framework of India's commitment to core universal values. As Prime Minister Vajpayee said earlier this morning, " We believe a stable equilibrium lies in a cooperative multi-polar world which accommodates the legitimate aspirations and interests of all its component poles. This is the world which India is committed to working for".

As India emerges more and more on to the world stage, confidence, maturity and self-restraint will be the hallmark of its international behaviour. As a major power, the values that India will seek to spread in the world and the goals that we will strive to achieve will be the same values and goals that infuse its national and civilizational experience. India will always stand for democracy within and amongst countries. It will act as a pro-active agent of peace facilitating the pacific resolution of disputes. India will continue to strive for international equity and justice, particularly, in the economic field. It will be a champion of the free movement of goods, services and persons across national frontiers. We will work to build and strengthen international institutions so that they work effectively for the benefit of mankind. Be it the war against terrorism, the challenge of protecting our environment or dealing with HIV/AIDS and other pandemics, India as a major power will bring new energy and fresh initiative to international efforts. Finally, by combining

democracy with economic growth and by successfully managing its pluralist society through an open, transparent and participative process, India is already setting an example to the rest of world.

To quote U.S. scholar George Perkovich from a recent article in The Washington Quarterly, "Democratically managing a society as big, populous, diverse, and culturally dynamic as India is a world historical challenge. If India can democratically lift all of its citizens to a decent quality of life without trampling on basic liberties and harming its neighbours, the Indian people will have accomplished perhaps the greatest success in human history."

Friends, a new destiny awaits us once again. This century has begun well. Whether the world will label it the Indian century, now depends on each one of us.

Thank you.

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010. Media briefing by Official Spokesperson on messages of felicitation received by External Affairs Minister K. Natwar Singh on the assumption of his office.

New Delhi, May 25, 2004.

Pakistan Foreign Minister called EAM this morning to congratulate him on his assumption of office. Both ministers expressed their determination to continue and further expedite the present process in India - Pakistan relations, building upon the support provided by the people in both the countries.

EAM recalled that in his conversation with Pakistan President, Prime Minister Dr. Manmohan Singh had also conveyed support for the process and emphasised the need for it to continue in an atmosphere free from the menace of terrorism and violence.

Both ministers agreed to remain in constant touch. The conversation lasted seven minutes.

Secondly, reflecting the importance that India attaches to its relations

with neighbouring countries, the External Affairs Minister, Shri Natwar Singh has summoned the Indian Heads of Missions accredited to other SAARC member countries to Delhi on 31st May – 1st June 2004. The meeting between the External Affairs Minister and the Heads of Missions will help to review the status of our relations with these countries and to give a fresh impetus to our diplomatic efforts there.

This would be the first of EAM's meetings with Indian Ambassadors and High Commissioners accredited to countries in different regions of the world.

Further, there was a call on EAM by US Ambassador Mulford today. Ambassador Mulford delivered a letter of goodwill and congratulations from US Secretary of State Powell to EAM. During the call EAM said India attaches exceptional importance to the India - US bilateral relationship and will continue working to carry this forward. As the friend of the US, India will stay in touch and share perspectives on all issues.

EAM welcomed the formation of the India Caucus in both houses of the US Congress. He said there is a broad consensus within the country on foreign policy and it enjoys national sanction. India would be watching events very closely over the next few months which we feel are crucial for our region.

Ambassador Mulford conveyed his sincere congratulations at the victory of the Congress party in the elections and said the US looked forward to working with the new Government. The meeting lasted one hour.

Question: Has only Pakistan congratulated EAM or are there other countries too?

Answer: We have already given you details of congratulatory calls that were made to the External Affairs Minister yesterday. There were calls yesterday by Mr. Jack Straw and Mr. Colin Powell.

Question: Yesterday there was news that Indian Ambassador to Nepal is being called. Now that has been extended to all SAARC Countries…

Answer: Well he is coming here as of today to discuss bilateral relations and other issues. This is going to be a meeting of our Heads of Missions in all the SAARC countries.

Question: In the conversation between Kasuri and EAM, was there any discussion on the nitty-gritty of the India – Pakistan dialogue?

Answer: I do not have more details on the talks than what we have already briefed you separately. There was a request for a brief postponement and specific dates will be worked out.

Question: Do you have any reaction on the readmission of Pakistan into the Commonwealth?

Answer: That is a consensus decision which has already been taken in the CMAG. India was also there.

Question: Is Mulford the first foreign envoy to call on EAM?

Answer: I should think so, but I would like to double check. (confirmed later)

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011. Media briefing re: Congratulatory messages received by Prime Minister and External Affairs Minister on assumption of their offices.

New Delhi, May 26, 2004.

There were several telephone conversations today between the leadership in India and other countries. I will give you the details of these.

First of all the conversations which the Prime Minister Dr. Manmohan Singh has had. There was a telephone call from President of the United States Mr. George Bush. It was a warm and cordial conversation which lasted eight minutes. President Bush congratulated Dr. Singh on his appointment as Prime Minister and the recent election victory. The two leaders agreed that relations between the two countries are strong and multifaceted. Both countries will work to strengthen this relationship. The two leaders also agreed that the two National Security Advisors will remain in touch with each other. This conversation took place this evening.

The Prime Minister also received a congratulatory phone call from

the Prime Minister of Sri Lanka. The Sri Lankan Prime Minister congratulated Dr. Singh on his appointment as Prime Minister and the Prime Minister responded in turn by congratulating the Sri Lankan Prime Minister on his appointment a few weeks ago. The two leaders appreciated the fact that relations between the two countries are excellent and will be strengthened. A number of initiatives are proceeding well and discussions on the Comprehensive Economic Partnership Agreement will commence soon. Prime Minister said that India supported the peace process and hoped that it will result in a solution which preserves the territorial integrity and sovereignty of Sri Lanka and fulfills the aspirations of all the people of Sri Lanka.

The External Affairs Minister Shri Natwar Singh also received several congratulatory telephone calls. The first one was from the Foreign Minister of China.

Chinese Foreign Minister Mr. Li Zhoaxing spoke to EAM on the telephone today at1700 hrs. The Chinese Foreign Minister began by congratulating EAM and expressing his happiness that a distinguished alumnus of Peking University has become the External Affairs Minister of India.

The two Foreign Ministers agreed to closely work together to further strengthen the bilateral relations between India and China. They expressed mutual agreement on the relevance of Panchsheel today and noted that the 50th anniversary of Panchsheel and related commemorative activities offered a good opportunity for enhancing cooperation.

Various bilateral issues including the Joint Study Group on economic cooperation, the Ministerial-level Joint Economic Group and the boundary question also figured during the telephonic conversation.

The two Ministers also exchanged views on the UNSC draft resolution on transfer of power to the Interim Iraqi Government.

The Chinese Foreign Minister expressed his appreciation for the positive remarks made by EAM regarding India – China relations. He thanked the Government of India for support on international issues. He also invited EAM to attend the ACD Foreign Ministers' Meeting in Qingdao, China on June 21-22, 2004.

EAM requested Foreign Minister Li to convey his personal regards to former Foreign Minister Huang Hua and former Vice Premier Qian Qichen.

The conversation, which was warm, friendly and personal in tone and content, lasted for about 15minutes.

Besides the call from the Foreign Minister of China, the External Affairs Minister also received a call from His Majesty The King of Bhutan, who congratulated him warmly on his appointment as the External Affairs Minister of India. Mr. Natwar Singh has known His Majesty personally for a long time and has been his personal guest in Bhutan several years ago. His Majesty again invited him to visit Bhutan and Mr. Singh said that it was indeed very gracious of His Majesty to have placed the call.

There was also a call of congratulations from His Excellency Mr. Youssef bin Ahmed Alawi, the Minister responsible for Foreign Affairs in Oman, who is also known very well to Mr. Natwar Singh for several years.

Later in the evening, Shri Natwar Singh also received a call from Mr. Kamal Kharrazi, Foreign Minister of Iran, who congratulated him on his appointment. Both the Ministers positively assessed the trends in bilateral relations and agreed to continue these trends further.

Mr Bill Graham, Foreign Minister of Canada also made a congratulatory phone call to the EAM during which the two Ministers recalled their earlier association and expressed their determination to further strengthen bilateral relations between the two countries.

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012. Excerpts on Foreign Policy from the Common Minimum Programme of the United Progressive Alliance.

New Delhi, May 27, 2004.

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The UPA Government will pursue an independent foreign policy, keeping in mind its past traditions. This policy will seek to promote multi-polarity in world relations and oppose all attempts at unilateralism.

The UPA Government will give the highest priority to building closer political, economic and other ties with its neighbours in South Asia and to strengthen SAARC. Particular attention will be paid to regional projects in the area of water resources, power and ecological conservation. Dialogue with Pakistan on all issues will be pursued systematically and on a sustained basis.

The UPA will support peace talks in Sri Lanka that fulfill the legitimate aspirations of Tamils and religions minorities within the territorial integrity and solidarity of Sri Lanka. Outstanding issues with Bangladesh will be resolved. Intensive dialogue will be initiated with Nepal for developing water resources to mutual advantage.

Trade and investment with China will be expanded further and talks on the border issue pursued seriously. Relationships with East Asian countries will be intensified. Traditional ties with West Asia will be given a fresh thrust. The UPA Government reiterates India's decades-old commitment to the cause of the Palestinian people for a homeland of their own. Steps will be taken to withdraw Indian mercenaries from Iraq, while further recruitment for this purpose will be banned.

Even as it pursues closer engagements and relations with the USA, the UPA Government will maintain the independence of India's foreign policy position on all regional and global issues. The UPA is committed to deepening ties with Russia and Europe as well.

In keeping with the stance adopted by the late Shri Murasoli Maran at Doha, the UPA Government will fully protect the national interest, particularly of farmers, in all WTO negotiations. Commitment made earlier will be adhered to even as efforts are mounted to ensure that all agreements

reflect our concerns fully, particularly in the area of intellectual property and agriculture. The UPA Government will use the flexibility afforded in existing WTO agreements to fully protect Indian agriculture and industry. The UPA Government will play a proactive role in strengthening the emerging solidarity of developing countries in the shape of G-20 in the WTO.

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013. Media briefing by Official Spokesperson on External Affairs Minister K. Natwar Singh's meeting with the Heads of Mission of SAARC, ASEAN, Iran and Afghanistan based in New Delhi.

New Delhi, May 28, 2004.

The External Affairs Minister K. Natwar Singh met the seventeen Heads of Mission of the SAARC, ASEAN, Iran and Afghanistan to brief them on his perceptions of India's foreign policy. He highlighted the foreign policy aspects, which are given in the Common Minimum Programme of the United Progressive Alliance Government. He also gave a historic overview of India's foreign policy and the philosophical underpinnings that act as the impulses to that policy. In his exposition he focused particularly on the SAARC countries as well as on ASEAN countries. As regards SAARC, he mentioned that it is our duty to make SAARC a creative and meaningful organization and he underlined the age-old contacts that India has with the ASEAN countries as well as the excellent bilateral relations now prevail with each of the countries and between India and the ASEAN as a whole.

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014. Interview of External Affairs Minister K. Natwar Singh to the New Delhi based weekly *Outlook*[1].

New Delhi June 1, 2004.

Are there any aspects of the BJP's foreign policy that you found disturbing?

First of all, their ministers didn't know the difference between diplomacy and foreign policy. Foreign policy is what you do; diplomacy is how you do it. The handling of Pakistan was very erratic. In five years Mr. Vajpayee made five U-turns. And the Congress Party had given the Vajpayee government broad support on policy towards Pakistan, security and defence.

Whenever they terminated the dialogue, we always said you must keep the diplomatic door open, don't cut it out. One day he goes to Lahore in the bus, we welcome it. His foreign minister comes and says in the Lok Sabha, on 27th Feb, 1999, that the Lahore meeting was a turning point in Indo-Pak relations. Well, after four months, you had Kargil[2]. Some defining moment!

I can give you any number of examples. The fuss he made about going to Islamabad—no, I will not go; I will not meet Musharraf, I will only shake hands with him; it will not be a substantial meeting, nothing will come out of it. Who are you kidding! Look at the fiasco at Agra. These are professionals. No foreign minister in the world takes down little notes and tells the press that "I am coming back in five minutes" but doesn't return for five hours.

They went into Agra without an agenda. Musharraf came with a one-point agenda. No foreign minister in the world has escorted three hardcore terrorists in his own aeroplane to release them[3]. It is unheard of. The neglect of Africa, the neglect of Latin America...

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1. Issue of the magazine dated June 7, 2004.
2. Fighting between the Indian and Pakistani armed forces along the Line of Control in Jammu and Kashmir.
3. Reference to the journey made by the former External Affairs Minister Jaswant Singh to Kandahar in December 2001 in the same aircraft that carried the militants to trade off the release of Indian Airlines passengers hijacked on a flight from Kathmandu on December 24 2001.

And the tilt towards Israel...?

The Congress Party upgraded relations with Israel to ambassadorial level in 1992. We are all for having close relations with Israel but not at the cost of ignoring the legitimate rights of Palestinian people. This has been the Congress stance on Palestine before Independence.

What about the appointment of Bhishma Agnihotri as ambassador-at-large for NRIs?

Here again, no understanding of what foreign policy or diplomacy is. Just to accommodate one of their—whatever he is—favourites in the United States. It's unheard of that there should be two ambassadors of any country in India. Even when the Americans said that they wouldn't give him a diplomatic passport, we persisted. Now we are going to close it.

Are you going to close down the office?

Of course.

And scrap the post?

Of course

Are you also going to go into the overseas funding of the VHP and the Bajrang Dal[1]?

I have no idea. I haven't yet looked into any papers. But there is going to be no witch-hunt. We don't believe in that. But we are going to put things that went wrong, right. We have to do things in the interest of India, not in the interest of a political organisation or a particular party. The foreign policy of India is not anybody's private enterprise.

What about the exercise of Pravasi Bharatiya Diwas[2]? Are you going to modify it anyway?

We have now appointed a ministry which is under Jagdish Tytler, and he's going to look at it.I will tell you, in the first meeting that took place, Mr L M Singhvi was the moving spirit. Sir Sriddath Ramphal —a most

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1. The two outfits close to the Bharatiya Janata Party.
2. Overseas' Indians Day

distinguished person from the West Indies, Guyana, of Indian origin, who was the secretary-general of the Commonwealth for 15 years, and had been foreign minister—was not invited till Manmohan Singh reminded Singhvi: please do something. A booklet was brought out about those who visited Trinidad, Tobago, Guyana. There was just no mention that Indira Gandhi visited in 1968. I went with her. The only Indian Prime Minister to visit Trinidad, Tobago and Guyana was in 1968. This is distortion, and displays a total lack of historical knowledge, and of understanding the roots of India's foreign policy.

Do you agree with the joint statement that was issued when Vajpayee met Musharraf in January[1]?

Well, you see the thing is this. Vajpayee went to Kathmandu where he was like a sour individual. When Musharraf shook hands with him, Vajpayee did so reluctantly. We should have the bigness to say, fine, we are a bigger country. Then the flip-flops. On May 16, 2003, Atal Behari was in Gangtok. There he said that he will have no talks with Pakistan until cross-border terrorism ends. Forty-eight hours later, Vajpayee was in Srinagar and said, 'I want to extend the hand of friendship.' What has happened in 48 hours? No answers.

Take Iraq. Mrs Sonia Gandhi wrote to the Prime Minister on June 5 last year. She said: "We hear you are sending troops. You can't do this unless we have a national consensus and unless they are under the United Nations flag." Supposing the troops would have gone, what do you think would have been their fate now? The BJP has not said a word until today.

Do you think under the BJP government the Americans have managed to insinuate themselves into the matrix of Indo-Pak relations and the neighbourhood?

The Congress Party is committed not from today but from the time of Jawaharlal Nehru and Indira Gandhi and Rajiv Gandhi and Narasimha Rao to have very close relations with the United States for obvious reasons. In the last decades very talented, gifted Indians have settled down there, made a mark and they are playing a role in the American national scene. It's wonderful... in science, technology, defence, education, everything. There

1. Document No. 120.

were certain hiccups, sanctions in 1998, dual technology. But I think they will be ironed out.

And the Americans have also realised that India is essentially a very strong country, and it is in their interest to have good relations with us. We welcome this, and we will carry this further. This idea that there may be a third-party interest in all that ... but there is no doubt that Americans have influenced Pakistan with regard to having a dialogue with India. They have used their good offices. It is not necessarily that they are a third-party. But they needed Pakistan for Afghanistan, and since Gen Musharraf turned 180 degrees, they persuaded him to be more realistic when dealing with India.

You know, we can sit it out. I don't think Pakistanis can sit it out indefinitely. It is in our mutual interest to have good relations with Pakistan. We have welcomed the improvement in the last few months. And we have always been emphasising on this. Now you see the Lahore declaration of 1999 produced Kargil in four months. The Shimla Agreement signed in 1972 ensured peace till 1999. The Shimla Agreement and subsequent agreements and declarations provide the framework in which we can discuss everything including Jammu and Kashmir and the nuclear question.

A new dimension has been added since 1998 when both countries became nuclear powers.And now it is absolutely essential that we have best of relations. And the Manmohan Singh government has already made it clear that we look forward to continuing the process, we will take it forward and it will be multi-faceted. And the differences we have will be ironed out through negotiations, friendly talks and cooperation.

How quickly will we restore the original staff strength of respective Indian and Pakistani High Commissions?

It's a matter of detail. We will just find out. It's not a major problem.

Do you have any new initiatives that you will put into the dynamics of Indo-Pak relations?

You see I have been in for only two days. I'll have to look at the papers. But we were never in favour of stopping cricket matches. We were not in favour of the train being stopped, bus service being stopped, airways...

Why? Now they want to take credit on the cricket. This is no way to conduct foreign policy.

Aar-paar ki ladai[1]*:* why is this kind of verbal overkill resorted to? You had Operation Parakaram, we were there at the border for eight months. Then we came back. Why did you send your troops?[2] Why did you come back? Didn't you ever think about it? What did you achieve? What were these great people doing? Every pronouncement that came from the United States, even before anybody discussed it, we welcomed it.

Like our response on the National Missile Defence?

I know people in the BJP themselves were not too happy about it.

Are there any aspects of the relations with the United States that you will like to think through before going forward?

We will have the closest relations with them. We will enlarge them, we will widen them, we will expand them, we will deepen them. If there are any differences, these will not be aired in public. Because if you are really friendly with each other, as friends we have the right to tell them when we think they are doing wrong, and vice versa. There will be no public pronouncements. We had a different role when we were in opposition. We have a different now that we are in government. The bottom-line is, nothing will be done which adversely affects India's vital national interest.

Will we make our feelings plain on the new UN resolution on Iraq?

We are not member of the Security Council, so we are not directly involved. But we are involved as an important member of the UN. When the American ambassador met me, he spoke about this resolution. And when UK foreign secretary Jack Straw spoke to me over the phone, he too referred to the resolution. The resolution text has just come, it hasn't been tabled in the Security Council. We will have a look at it. If our views have to be conveyed, we will convey it. But we have to study the resolution carefully.

If I understand you correctly, we would send troops to Iraq only if there is a national consensus and under a UN mandate.

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1. fight to finish
2. Deployment of Indian army along the international border with Pakistan.

And also it should be asked by the duly elected government of Iraq.

How do you respond to the criticism that you bring an old world view to the new world order?

I don't have to respond to such criticism. Such criticism means nothing to me. I keep myself intellectually and scholastically up to date. I am more aware of the complexities and the intricacies and the hazards of the 21st century than all of these people put together. If I am not mistaken, most of them have stopped reading books after passing their college exams.

Is there any specific way that you work NAM more relevant?

Let's be very clear. The non-aligned movement needs to be restructured and renovated to make it relevant to the agenda of the first decade of the 21st century. The non-aligned movement and non-alignment are not synonymous.We were non-aligned before NAM was born. Non-alignment means you have an independent foreign policy. And you take steps to safeguard your vital national interest without injuring the interests of other people.This needs a great deal of skills.

NAM needs reform and change. The international agenda of the 1940s was different from the 1960s and 1970s. Forty years ago the great questions were apartheid, colonialism and imperialism. It is all over. You have a new agenda now. These are financial, terrorism, ecology, AIDS, population. Non-aligned countries should get together and assert their view in the UN etc.

In the Organisation of African Unity and the Commonwealth, we must engage other countries in this, in a peaceful and cooperative manner. We must engage G-8. Let us engage them in the reform of the Security Council. Asia, Latin America and Africa are represented by one country—China. The western world has USA, France, UK and Russia. This is totally undemocratic and unrealistic. Let us all get together and talk about it.

If non-aligned is irrelevant, then how is NATO relevant? The Warsaw Pact has disappeared, but NATO been extended to the border of Russia. NATO troops are in Afghanistan. What has the North Atlantic Treaty Organisation got to do with Afghanistan, where 99 per cent of the people have never seen a sea, let alone an ocean? They say Natwar Singh is a hawk. I don't understand this language of hawks and doves. We are running a foreign policy establishment, not a bird sanctuary.

Do you think it is time to remove the ban on the Liberation Tigers of Tamil Eelam?

We have to examine it very very carefully. Because the leader of the LTTE is implicated in the Rajiv Gandhi murder case, and the Supreme Court has indicted him. And this has to be looked at very very carefully.

Could you identify priority areas you will focus on immediately? I already have. I have invited heads of High Commissions and Embassies in the SAARC countries. They are coming in four days. Our ambassador to Nepal is already here. I have invited our ambassadors in Iraq and Afghanistan, and they will be here in three days. And ambassadors in ASEAN countries will also be here in a month. We have been out of office for eight years; the world has changed since then. So we want to hear their assessments and we want to put across our views as to how the Manmohan Singh government looks at the world as it exists today.

Take, for example, China. We can take some credit for the breakthrough in 1988 when Rajiv Gandhi went there. I was also there. Panditji had gone there in October 1954. When Rajiv Gandhi was there, the Chinese, master diplomats as they are, said, ok, we have this border problem, let us put it aside, let us go ahead in other areas. This has worked. Even on the border, we have had peace and tranquility for 15 years.

Let us remember that in 2000 years of our history, India and China had one conflict in 1962. An in-depth analysis of why this happened hasn't been done by either side. We will now celebrate 50 years of Panchsheel. I keep telling our Pakistani friends, you are very friendly with China, why don't you follow their example? They put the border aside, there's a mechanism for dealing with that issue of border. Why are you harping on Kashmir and blocking everything? Let us put Kashmir aside; it doesn't disappear, but let us get on with everything. Now the atmosphere is such that public opinion in Pakistan is ahead of their government. The public opinion of India was also ahead of the Vajpayee government.

Under the Vajpayee government the focus of talks with China shifted to the Prime Minister's office. Will there be a course correction there?

The MEA, if I am not mistaken, was bypassed to some extent—on

major issues, it was bypassed.We didn't need a National Security Adviser till the May 10, 1998. On May 11, we became a nuclear power, so did Pakistan two weeks later. A whole new dimension appeared on the horizon of India's foreign, defence, security and strategic policies.It's so important a question that you need a fulltime person dealing with these aspects,. JN Dixit is just the right person for it—he is intellectual, he is experienced, he is cerebral. He understands this. So there will be no crossing of wires. He will be a great asset.

What will be the Natwar Singh stamp on India's foreign policy?

The stamp that Jawaharlal Nehru had put, stays. We are small people, standing on the shoulders of a giant.

As India's new foreign minister, what do you think are the main qualities that should guide you?

An accomplished diplomat thinks twice before saying nothing. It is the duty of every foreign minister and every ambassador to increase the number of friends and well-wishers of India, and reduce the number of critics. And that we shall try to do.

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015. Press conference by External Affairs Minister K. Natwar Singh to explain the foreign policy of the United Progressive Alliance Government.

New Delhi, June 1, 2004.

(The text in Italics is free translation/transliteration from Hindi)

Official Spokesman: It is our great pleasure to welcome the Hon'ble External Affairs Minister of India Shri Natwar Singh for his first Press Conference at Shastri Bhawan Media Centre. We will request the Hon'ble Minister to make his opening remarks and then we will go to the questions. I request you to please wait to be invited to ask your questions and introduce yourselves when you ask the questions. Sir…

EAM: *I am grateful to you all that you have come here this evening for this press conference.* Before I say anything, I want to tell you that we have agreed with Pakistan that the officials of the two sides will be meeting in New Delhi on June 19 and 20 for the expert level dialogue on the nuclear Confidence Building Measures and on June 27-28 for the Foreign Secretary level talks (June 19-20 expert level dialogue on nuclear Confidence Building Measures and June 27-28 for the Foreign Secretary level talks). So I am sorry to disappoint those who thought that the dialogue was not going ahead.

The Policy Planning (group) with China was due to meet on the 16th, but regrettably, the Representative has fallen ill. The Strategic Dialogue at the level of Vice Ministers will also be held shortly and Special Representatives of India and China on the boundary question will have their next meeting in the very near future. And it gives me great pleasure to announce that my friend and colleague J.N. Dixit has been appointed the National Security Advisor and will be replacing Shri Brajesh Mishra as our interlocutor with China on the border question. My first foreign visit will be to Nepal on the 4th and 5th of this month.

The Prime Minister of Nepal called me the other day; I had the good fortune to know him for a number of years, and asked if I could come to Nepal at my earliest convenience. Bearing in mind the extremely close relations that we have with Nepal, I should be leaving on the 4th.

Now, I will just spend 5 minutes to tell you a thing or two. I have returned to the Ministry of External Affairs after fourteen-and-a-half years.

In these fourteen-and-a-half years the world has changed a great deal. We have all changed. India has changed. I have changed. The international agenda has changed. The Soviet Union does not exist. It is an international fact with which the world has yet to come to terms with. The fallout still continues. It is a new situation. The other very big change is that when I joined the Foreign Service 51 years ago the dictum was that an accomplished diplomat thinks twice before saying nothing. Now the reverse is true. We have bilateral diplomacy, we have multilateral diplomacy and we have media diplomacy. The intrusion of the media, its influence and power is very great. It is irreversible and all diplomats and foreign policy makers have to come to terms with this reality. We will do our best within our limitation to have a transparent, sustained working relationship with you. The impact that you make cannot be minimized.

It is also a fact that aging people like myself are not media-savvy. I am aware of this and therefore I try and avoid appearing on the media. There are other colleagues of mine who are very media-savvy. They will be at your service. Like most things in the world it is a mixed blessing. You expose the weaknesses of the government, the injustices done to society, the treatment of women, cruelty to children. You also, not intentionally, unintentionally, sometimes, trivialize serious matters. I have two grandchildren who are seven and eight. They see a great deal of television. They are now beginning to think in images and not words. The world has to come to terms with this. I do not want to lecture you.

Now, since taking over, I invited the representatives of the ASEAN and SAARC countries in Delhi to meet me. For the last two days, I have been having discussions with our representatives in SAARC and in the ASEAN region. I have also called our Ambassadors from Iran, Afghanistan and Nepal. As you know, I have had a large number of telephone calls. The first one was by the Foreign Minister of Pakistan, which I appreciate very greatly and reciprocate his sentiments. His Majesty the King of Bhutan also was also gracious enough to call me. You know the rest of the Foreign Ministers who called me.

Now, the foreign policy of the Manmohan Singh Government has been spelt out in our Common Minimum Programme. We attach the highest importance to having the closest, acrimony-free, multifaceted relationship with the United States of America. The US Ambassador was the first Head of Mission in Delhi that I received. We spent an hour and we covered all

areas in which India and America are engaged constructively. I also said to the Ambassador that since we are friends, it is our responsibility and duty that we have our meetings in a frank and friendly manner. The Manmohan Singh Government will strengthen, deepen, widen our relationship. There are differences, but these differences will not be aired publicly and will be addressed diplomatically and tactfully.

The agenda with the United States is extensive. I shall not go into details. All that I want to say is that the impression that there might be a change in the Manmohan Singh Government towards United States is unfounded. Our relationship will be based on mutual respect, mutual understanding, mutual accommodation; cooperation, not confrontation; goodwill, not growling.

Now, let me come to Indo-Pak relations. A great deal of excitement has been engineered in the last few days. Having served in Pakistan as an Ambassador more than twenty years ago – in those days Pakistan was not a member of the Commonwealth, so we were Ambassadors, we have just now supported Pakistan's re-entry into the Commonwealth and we are supporting them in the ARF, in ASEAN – I am familiar with the complexities, the intricacies, the suspicion, the emotion that goes into our relationship with Pakistan. It is our endeavour that the future of Indo-Pak relations no longer lies in the past. We cannot forget the past, but neither should we be the prisoners of past.

The Prime Minister, the Chairperson of the United Progressive Alliance Shrimati Sonia Gandhi, and I, have repeatedly said that we want good neighbourly, amicable, cordial relations with Pakistan. The past has been strewn with booby-traps on the ground and high-tension wires in the air. We want to put an end to that. The relationship will be based on trust, not mistrust; on frankness, not fear. The 21st century, the millennium provides an excellent occasion to come up with creative ideas so that our two countries can be mutually benefited, that we can address the paramount important matters of poverty, hunger and disease in both countries.

Yesterday, the Foreign Minister of Pakistan issued a statement in which he said, "I have just come back from a visit to the United States. I have seen statements made by some Indian leaders regarding leadership between Pakistan and India, and the Kashmir issue. These can be reduced to four points."

His points were: "Borders cannot be altered." No public announcement has been made by any Indian leader about this. "No plebiscite." I thought this issue was dead many many years ago. Nobody has repeated it. "Relations will be guided by the Simla Agreement, full stop." What I have said now, what I have been saying for many many years is that we consider the Simla Agreement of 2nd July 1972 as a bedrock of our bilateral relations. But our relations with Pakistan now will be governed within the framework of the Simla Agreement, the Lahore Declaration, and the press statement issued on the 6th of January by India and Pakistan in Islamabad. This fact is totally ignored, including by the Indian media. At every meeting I have said this. But they are stuck to the Simla Agreement, and so are we. We are not going to change our attitude to Simla Agreement. But it is a continuous chain; we are all not running a static or sterile foreign policy, we are approaching it in a pragmatic, empirical manner. We are fully conscious of the realities, geo-political, in our region and that is why I have called the Heads of Missions of the SAARC and of ASEAN because we attach very very great importance to this part of the world. Under the changing world it is essential that we get to know each other. So, I want to put an end to this controversy. The fourth point was: "Sino-Indian model should be followed." No formal proposal by the Government of India has been made. This model has been talked about for a number of years. The matter of the LoC becoming Indian boundary has been talked about for a number of years and by responsible people including the Chief Minister of Jammu and Kashmir. Our Government has made no statement, policy statement, about this being the model.

I was asked, I have had a lot of meetings with the press, as to how I would look at it. I have said that we have just taken over. We attach the highest importance to our relations with Pakistan. We want to solve all the problems. The Simla Agreement in Paragraph 6 provides the mechanism for carrying this forward, so does Lahore, so does January 6. People have, I said, talked about the China Model. When Rajiv Gandhi and Deng Xiaoping met in December 1988, Deng Xiaoping said, 'You know when your grandfather came here in 1954, I was Secretary-General of Communist Party of China.' He was number six then. And he said, 'You must have been very young' - Mr. Rajiv Gandhi was ten years old then. And he said, 'Well, we are friends now, we will discuss everything. We know the border problem, we will put this aside for the time being, and go on to the other areas.'

I said that people have talked about this kind of a model for even this dispute. I was not making a policy statement, because I am not authorized to do it. I was speaking in broad terms, looking at what you can do. There are any number of models that we can take with regard to this. But the objective is to have a relationship which is friction-free, crisis-free. Therefore, we have welcomed this changed atmosphere. The Congress party gave its broad support to the Vajpayee Government's Pakistan policy. That policy was not consistent.

On the 16th of May 2003, Mr. Vajpayee said in Sikkim, "I will not talk to Pakistan till there is cross-border terrorism." Two days later, in Srinagar he said, "I want to stretch my hand of friendship." We said, "Well done! We have been saying so." But what happened in forty-eight hours? At one stage he said, *"Aar paar ki ladai".* In my humble opinion, it was unnecessary to use this verbal overkill, especially when you have no intention of doing it.

So, through you I want to assure our friends in Pakistan, and everywhere, that we are committed to a very deep involvement with them on every possible issue. We will discuss with them whatever they want. We were not in favour of stopping cricket matches, and we said so. We were not in favour of stopping over-flying of planes. We were not in favour of the train being stopped. We were not in favour of bus being stopped. I said, "Yes, they have attacked our Parliament. We can stop the dialogue. But people-to-people contacts should continue. And the diplomatic door should never be shut. Otherwise, how do you go ahead with any kind of discussion?" So, we will discuss everything with them and we will do it in a very very friendly manner. And we want to reciprocate the friendly sentiments of the Foreign Minister of Pakistan when he talked to me.

It is also our vision that SAARC should become an active and not a dormant body. The SAARC Charter lays down that no bilateral issues will be discussed. We sincerely hope that in the spirit that is now between India and Pakistan, bilateral issues will not be raised and they, I am told, assured us that they will not raise bilateral issues in the ASEAN and the ARF. We welcome this. My vision is that there should be a SAARC cricket team of India, Pakistan, Bangladesh and Sri Lanka and they should take on the world. My vision is that there will be a day – may not be in my life time, because I am living on borrowed time, anybody who is above 70 years in India is in the waiting room of the Almighty – I hope there will be a day

when like ASEAN, SAARC will have a common foreign policy, common defence policy, common economic policy, free border travel, exchange of scholars, students, newspapers, books.

Our Government will lay very high importance to the Islamic world. There are 130 crore Muslims in the world – 1.3 billion. There are 56 Islamic countries in the world. We have very good relations with all of them. We respect their sentiments and we greatly value the reception that our people working in these countries, Gulf countries, are receiving, and doing so much for our country and for the countries they are living in.

I will be going to China on the 21st and 22nd to Qingdao for an Asian Cooperation Dialogue with the Foreign Ministers of about twenty countries there. The Minister of Finance would have gone, but he is extremely busy with the Budget which will be presented in early July.

I began my diplomatic career in China more than 50 years ago, and spent a year studying Chinese in the Peking University, and I lived there for two years. On the 10th, I will be leaving for Oman and UAE. From there, I am going to Geneva to meet forty of our Ambassadors in Europe. If we were to call them to Delhi, it would be a very expensive exercise. So, I have decided to go with minimum staff. The meeting will take place in Geneva in our Office of the Permanent Representative to the UN, and not in a five-star hotel. I shall be traveling Executive Class. If anybody wants to upgrade me, I will not resist it, but I will not encourage it either.

Thank you.

Question: You have said that the Vajpayee Government was not consistent with its approach on Pakistan. Where will you pick up the threads? Secondly, you said that you would give high importance to our ties with Islamic world. What will be your attitude towards Israel?

Minister of External Affairs : First of all, let me say two things. We were not in favour of the establishment of the State of Israel in 1948. India had suggested that there will be two – Palestine and Israel – but that was not accepted by the UN. But we recognized the State of Israel and there was a Consul in Bombay for over fifty years, since Panditji's time. Then, in 1992, it was the Narasimha Rao Government which raised our relationship to the Ambassadorial level. We value our relations with Israel. They have a great

deal to offer to us, they have a great deal to offer to the world. But our relations with Israel will not be at the expense of sacrificing the legitimate rights and aspirations of the Palestinian people. And, if I may say so, when Mr. Sharon was here and Mrs. Gandhi called on him, Dr. Manmohan Singh and I were also present, and we put across our views and said that our ties with the Palestinians preceded our Independence. All we are saying is, and even the friends of Israel are saying, the United States is saying, that what is happening now is not acceptable because the Roadmap presented by Bush and Blair has got stalled. And to expect that you can find a solution of Palestine without Mr. Arafat is, in our judgment, unrealistic.

Question : The Army Chief has said that four thousand Jehadis are waiting to cross over the border. What will be your Government's consistent policy on cross-border terrorism, since you have said that NDA Government had an inconsistent policy?

Minister of External Affairs: I do not want to use this occasion to relive the past because it is pointless. There was cross-border terrorism when Mr. Vajpayee went to Lahore, and there was cross-border terrorism when Musharraf *sahib* came to Agra. They attacked our Parliament. We are totally opposed to terrorism - cross-border, internal, external, in every way. Our American friends discovered terrorism on 9/11. We have suffered from it, 60,000 people have died in Jammu and Kashmir, two Prime Ministers have lost their lives because of terrorism. So, nobody has suffered more. If there is any attempt to cross the borders of India, or do anything, they will be properly dealt with. I think, I will mention this matter to my colleague the Minister of Defence, but we are aware of it.

Question : But the dialogue will go on whatever happens…

Minister of External Affairs: I have just told you. The dialogue will not be stalled at all. There are people who are interested that this should happen, and I do not want to give them any comfort and encouragement. I have said this before. "Natwar Singh is a hawk" - I do not understand this language of hawks and doves. We run a foreign policy establishment, not a bird sanctuary.

Question : President Musharraf has said on several occasions since January 6th, that unless there is rapid progress …*(Inaudible)*… core issue of Kashmir …*(Inaudible)*…

Minister of External Affairs: I think they are starting these talks in the next few days on these subjects and there are several occasions in the next months when the Foreign Ministers of the two countries will be able to meet both bilaterally and in multilateral fora, and we will take it step by step. We are not shying away from discussing anything. I mean, we will discuss with them Jammu and Kashmir, we will discuss the nuclear question, we will discuss cross-border terrorism, we will discuss their attitude to Kashmir in the OIC. Even now a resolution is being prepared there on Kashmir. We will tell them that since we are friends, please have a fresh look. We have not opposed your going into the Commonwealth. We have asked you to come and join the ASEAN organization (ARF). We should cooperate in the Commonwealth, in the United Nations, in all these places because if we can work together, it helps. But if the approach is that without Kashmir nothing can be discussed, then we are going to have difficulties because we too have a point of view on Jammu and Kashmir. Because, if this answer is, as you know, unless this is solved nothing happens. Mr. Vajpayee has tried, all Governments have tried. We have never said *aar paar ki ladai*. We have not made any conditions that, if cross-border terrorism does not stop. It is not stopping anywhere in the world. Talks are going on. What is happening in Iraq? People are still talking, trying to find a solution. The Arab League has met, other colleagues have met. So, this idea that you get stuck in a mindset is not helpful. I say this with the greatest respect for the distinguished President of Pakistan.

Question : General Musharraf has invited Mrs. Sonia Gandhi to Pakistan. I want to know what is the thinking of the Government on this? What would be the status of that visit?

Minister of External Affairs: As you know, Shrimati Sonia Gandhi is the Chairperson of the Steering Committee of the Alliance. If she will be invited to Pakistan, it is my personal hope that she will accept because I know the reception she will get there. When her son and daughter went, 50,000 Pakistanis received them at the airport. There will be warmth and feeling. It depends on her timetable, it depends upon the timetable of the Pakistan Government, and an appropriate mechanism will be evolved by which no protocol problems are …*(Inaudible)*… After all, Rahul Gandhi and Priyanka Gandhi were treated like Heads of Government and it was deeply appreciated by the people of India and the people of Pakistan. So, the timetable, the details, all this we will work out. Let me assure you that we

have some experience of dealing with such matters. Every care will be taken with regard to protocol, the composition, the timing, the subjects, everything.

Question *: What is your Government's stand on sending Indian troops to Iraq?*

Minister of External Affairs*: …as the Leader of Opposition and the President of Congress, Shrimati Sonia Gandhi wrote a letter to Atal Bihari Vajpayeeji saying that it was being heard that sending Indian troops to Iraq was being considered. She said that there should be a national consensus on this and that it should be discussed in Parliament by all parties. If our forces were being sent, under whose banner were they being sent? If it was under the banner of the United Nations, and if the United Nations' Resolutions were acceptable to all, then they should surely be sent. We had sent our troops to Korea, we sent them to Congo, Cyprus, Lebanon, Gaza, Sierra Leone, Somalia, Kosovo. On the new Security Council Resolution by the US and UK, which has come in the last few days, they have taken our advice also. Iran's Foreign Minister spoke to me in this regard. China's Foreign Minister spoke to me in this regard. Other people have also spoken. We have seen the Resolution; it has not been presented formally to the Security Council. Though we are not Members of the Security Council, we are greatly interested in it. So, after seeing it, it will be known as to what and whose jurisdiction will be there - whether it would be considered a request of the new Government that is formed in Iraq or that of the UN; or, whether the overall command would be that of the US and UK. We will discuss all these issues with our Arab and Islamic friends and seek their opinion as to whether we should send our troops or not.*

Question *: Will you send our troops if the overall control is that of the US and UK?*

Minister of External Affairs*: Let us first wait for the Resolution because if it clearly says that the overall charge and command would be theirs, then it will have to be discussed and it will not be easy. But we hope that the Resolution will be based on consensus, and because of that Resolution, the sad state of affairs in Iraq would end soon.*

Question : *There has been news that Mr. Douglas Feith, US Under Secretary, who has come to India for the Indo-US Defence Policy Group*

Meeting, wanted to meet you to have an audience with you…

Minister of External Affairs*: See, this 'audience' is an out of date word.* ***We are a democracy.*** *Audience used to be given during the days of Sultanates.*

Question *: He wanted to meet you. Secondly, are you satisfied with the pace of US's assistance to India under the Glide path?*

Minister of External Affairs*: The pace will increase. He has been holding talks with our Defence Secretary. If he wants to meet me, and if I have time, I will meet him after taking your advice.*

Question : When is Mrs. Sonia Gandhi expected to visit Pakistan? Will it be this year or next year?

Minister of External Affairs*: No date has been fixed yet.*

Question : The nuclear assets are perceived to be an asset in terms of lending muscle to your foreign policy. Do you actually see it as an asset or do you see it as a right royal mess as widely perceived by the common man?

Minister of External Affairs: We could have become a nuclear weapon power in 1974. But we decided not to cross the nuclear threshold because we were getting all the advantages because the people who should know knew that we have the technology, we have the expertise to do it. Now, when on the 11th of May and 13th of May 1998, the Vajpayee Government added Pokharan-II, it became quite clear to me, having been Ambassador to Pakistan, that it is a matter of time that Pakistan will follow suit.

One of the things that went wrong is the reasons that the Prime Minister gave for having these explosions were given to President Clinton - that we were expecting a threat from Pakistan and China. The next day the letter was leaked to the Washington Post/New York Times. I asked the Prime Minister in Lok Sabha because I was a Member of Lok Sabha, as to how did this letter leak and who drafted it. As far as I remember, he said that *he did not have any answer for that.* You can check the Parliamentary records, I do not have the exact words. Instead of giving the reason what he should have done, if he had consulted the five Prime Ministers and other people, he should have said that the United States, Russia, France,

China, Britain have carried out tests, you are carrying out tests, France has just carried out tests, China had just then done, so India also as an independent country has every right to keep its nuclear technology up-to-date. We do not have to give an explanation to the President of the United States. If any explanation was to be given it should have been given to the people of India and to the Parliament of India. But, no special session was called from the 11th to the 27th. On 28th, it was I who announced in the Lok Sabha that Pakistan has exploded a bomb.

You talked about the advantages. If you see the manifesto and the Common Minimum Programme we are now both nuclear powers and so is China. So, I think the three countries should get together and work out a common nuclear doctrine so that all speculation, all danger, all that disappears because the responsibility as a nuclear power is enormous. Up till 1998, this dimension was absent from our foreign policy, diplomacy, security and defence policy. Now, this is an extremely important part of our security and foreign policy as it is of Pakistan and of China. That is why this has to be dealt with priority and with greatest seriousness. You simply cannot talk about these matters in terms of scoring points. The matter is too grave.

Question : My question is about Sri Lanka and India. The negotiations between LTTE and the Sri Lankan Government are scheduled to begin in a few months. The Sri Lanka Foreign Minister was here, he held talks with you. The Sri Lankans are keen that India should get involved in the peace process. LTTE is a banned organization and the ban has been extended by two years. India has been asking for the extradition of Prabhakaran. In view of the fact that Sonia Gandhi has forgiven Nalini, there is a lot of change. Is there any new thinking in the new Government that let bygones be bygones and we will not go after Prabhakaran and let the two sides talk so that a final solution can be found?

Minister of External Affairs: With regard to the ban on the LTTE, the Home Minister has already said that it is being extended for two years. With regard to the other matter about the head of the LTTE, he has been mentioned in the Supreme Court as one of the people involved in the assassination of Shri Rajiv Gandhi. We have always maintained that he should be extradited and so has the Vajpayee Government. Now that the talks are going on, we do not want to give this matter a priority so that there is any impediment to the talks because we want that the agony and tragedy

of Sri Lanka should come to an end and the territorial integrity, sovereignty and unity of Sri Lanka is maintained, and the legitimate rights of all the people of Sri Lanka are respected including the Tamils and the minorities and the Sinhalas who are in the majority. We certainly hope that with goodwill on both sides, I think they are taking assistance from Norway, that an acceptable solution will be found. You know the economic growth of Sri Lanka twenty years ago was almost 10 per cent a year. You would have had another Malaysia or Singapore.

Question ***:*** *In the era when you were at the top in India's foreign policy, India was the leader of Non-Aligned Movement. …(Inaudible)…Do you see any possibility of reviving third-world solidarity and NAM?*

Minister of External Affairs: Your question has several dimensions. *The questions that you have put are very complicated. I will try and respond to them in simple language.* Do not mix up the Non-Aligned Movement with non-alignment. India was non-aligned from 1947 to 1961. In September 1961, the first Non-Aligned Summit took place in Belgrade. The Non-Aligned Movement needs renovation. In some ways reinventing because the international agenda that the Non-Aligned Movement was able to influence in the 1950s, 60s, 70s, 80s no longer exists.

The Non-Aligned Movement was in the forefront of the fight against colonialism, imperialism, apartheid. Fortunately, the world has run out of colonies. South Africa now, thanks to the moral grandeur of the life of Nelson Mandela, is a rainbow society. Imperialism has disappeared. The new agenda is terrorism, AIDS, ecology, environment, poverty, hunger, least developed African and other countries suffering the excessive influence of the IMF and the World Bank. These are the issues which should be on the agenda of the Non-Aligned Movement in the opening decades of the 21st century.

Number two, we are today non-aligned. Jawaharlal Nehru, at the Haripura Session in 1938, had said, and he used the terminology of those days, that an Independent India will not be a member either of the Capitalist Camp or the Communist Camp. This is what we did. This idea that you have approached Soviets - it just happened that in the United Nations, on matters of colonialism, racialism and on imperialism, the Soviets voted with us.

Take Goa. We liberated Goa. The whole of Africa and Asia was

rejoicing. You read the speeches of the delegates of the United States and the United Kingdom who were supporting Portugal to say that Goa was a part of Portugal. Soviet Union vetoed the resolution that the liberation of Goa is illegitimate exercise of India. We waited 14 years.

Now, the other spin is how is non-alignment relevant when the Cold War has ended. Well, the Warsaw Pact has been demolished, disappeared, Cold War has ended. If non-alignment is irrelevant, how is NATO relevant? NATO has been extended from the Atlantic Coast to the borders of Russia. Who is the enemy? It is a legitimate question to ask that instead of disbanding, you have expanded NATO. You do not need NATO to deal with terrorism. So, all my friends who ask me that you are out-of-date and you are living in the Cold War, you are cold-warrior, I have great respect for the shrines of other people's minds. But some people have no minds, so there are no shrines there.

Question : *You had mentioned that Pakistan had passed some resolution in OIC. My information is that there are six resolutions, not one. Can you elaborate?*

Minister of External Affairs*: Our relations with the OIC Members are very good. Many of our friends in OIC try to see that such irrelevant issues are not raised. There are six anti-India resolutions in the next meeting that is going to take place in Islamabad. I hope that our friends there will tell them that when you are talking and there are calls for friendship from India, then this will not help in improvement of bilateral relations.*

Question *: When you talk about calls for friendship, yesterday Musharraf sahib phoned Vajpayee sahib and told him how much he was impressed with his initiative for dialogue…*

Minister of External Affairs*: We too were impressed.*

Question: *He had more friendship with him…*

Minister of External Affairs*: If Musharraf sahib wants to have friendship with us, we too will have good friendship with him. When I had met him he had said that he knew me. He said that when I was Ambassador in Pakistan, I had given a lecture in Defence College where he was also present. I was Ambassador then and I did not remember what the General sahib was at that time.*

See, these matters cannot be personalized. *My view is that you also know the reasons for the friendly steps that have been taken. "Is qadr jo ishq hua, wajah kya thi uski". The hope was that this Government will come back to power. But it did not happen and the game was spoiled.* For any Government to put all its eggs in one single basket is a risky business. In India we have a system, we have a Parliament, we have the press, we have public opinion and we have a broad sanction for our foreign policy among the people of India. This is not the case in our neighbouring state. That is why there have been attempts on the life of the President of Pakistan on this issue. I would like the General to live for 150 years. But God forbid, if something happens, where is the back up in the Pakistan establishment to carry this thing forward? We have the back up. We have the people's sanction. We have just been re-elected. We have a Parliament. The leadership has made a calculated decision that this has to go forward, and we will do what we can. So, when the President of Pakistan rang up the Prime Minister, we were very happy. When he rang up Mrs. Gandhi, we were very happy. When he spoke to Mr. Vajpayee, the Pakistan High Commissioner was good enough to inform us. And we said it was a very good thing if they talk to each other.

Question : In Saudi Arabia, eight Indians were killed. There are over 3.5 million Indians in Saudi Arabia. What is the Government going to do for the security of Indians living there?

Minister of External Affairs: This was the Al Khobar terrorist attack. When our Heads of Missions from ASEAN and SAARC met yesterday, we observed a minute of silence in the memory. We are in touch with the Saudi Government. We do not believe that the Indians were targets but they were caught under the circumstances because they were living in the same hotel. One of them escaped. There is no panic among the large Indian community in Saudi Arabia. We will give full compensation to the families of people who have lost their lives. Everybody regrets it.

Question : You are going to China soon. What is your judgment of the current status of Sino-Indian relations? Since you studied and worked in China, you must be quite familiar with the Chinese, do you think that in the next five years under your leadership the border issues between India and China will be resolved?

Minister of External Affairs: The leadership is that of Manmohan Singh,

and I want to thank you for mentioning that this Government will last five years. We hope so. The Special Representatives of the two Prime Ministers will meet shortly to discuss this and we are very appreciative of the constructive attitude of the People's Republic of China in this regard. The formula was worked out during Mr. Gandhi's visit and his talks with your great leader Mr. Deng Xiaoping. On the basis of that, as two mature countries, we will address this problem.

I want to tell you that in the 2000 years of history of Sino-Indian relations we have had only one conflict in 1962. If I may say so, an in-depth analysis of why that happened on both sides is yet to be done. So, we do not visualize any difficulty given the intensity of our close relations. Look at the trade. It is reaching really high figures – billions and billions of dollars. And this is because Mr. Deng Xiaoping said: keep this aside. The Indian companies are now very well present in China. Look at Ranbaxy. Look at dozens of others. I can tell you all that the Chinese Government has asked us if they could send people for training in IT to Bangalore. We said that we would welcome this. So our relations are extremely close. I was last in China in 1999 as a leader of the Congress delegation and I had the great good fortune of being received by Mr. Hu Jintao who is now the General Secretary and President of China. The sentiments that he expressed and the message that he has sent to the Prime Minister are very very encouraging and we fully reciprocate this.

Question : You have said that we should not be prisoners of the past. Does that imply that India will be ready to accept LoC as international border if it comes to that? Secondly, given the fact that Sri Lanka has recently asked India to play a greater role, do you envisage India playing a more proactive role in the regional politics?

Minister of External Affairs: To your first question. This phrase is mine, I have used it. The future of Indo-Pak relations lies in the past, I did not mean that we should be prisoners and get into a groove. What I meant was that we have to look ahead and not let the past mindsets and prejudices affect our senses. This is not the past, this is the present. The LoC is very much there and we have got to address the problem.

Question: On LoC as international border…

Minister of External Affairs: This is not a decision that I can take. There

has to be a national consensus on it – that is a national consensus on both sides. The Parliament has to meet. The Pakistan Government has to agree. If the atmosphere changes in both countries, then we can look at it afresh.

Question: What about the proactive role…

Minister of External Affairs: No, I do not think that proactive is the right word. I had a very long talk with my old friend Lakshman Kadirgamar of Sri Lanka. What they meant by India's role was – Can you give us humanitarian help? Can you give us hospitals, universities, roads, infrastructure? That kind of involvement. We said whatever we can do, we certainly will do because you are a neighbouring country. Your culture and ours are similar. While Buddhism is gone from India, Sri Lanka is a Buddhist country. We wish them all the best. I had really very very encouraging talks with him. He also met the Prime Minister and he has met other Ministers. We want to help Sri Lanka to find a solution to the ethnic problem. But we have also told them that India will not under any circumstances agree to Eelam. The sovereignty, territorial integrity, and unity of Sri Lanka must be maintained. They fully share this view.

Question : *The Common Minimum Programme of your Government says that more importance will be given to multilateralism rather than unilateralism. Do you feel that there has been more tilt towards unilateralism?*

Minister of External Affairs: Without naming any country, (there has been) weakening of the United Nations, bypassing the UN, new doctrines being invented which are not mentioned in the Charter. So, we want to emphasize multilateralism - that no country should be able to take unilateral decision for regime change or for any other reason. That is why this emphasis, and largely to make our contribution to strengthen the United Nations. That is why I said it is very good and welcome development that the US and Britain are taking the Resolution to the Security Council. I think some credit must be here given to Colin Powell and Mr. Blair.

Question : What is your Government's stand on Vajpayee Government's most important document on strategic affairs – the nuclear doctrine? Do you accept it *in toto?* What will be your stand on no-first-use policy?

Minister of External Affairs: I think this question should be addressed by you to the National Security Advisor.

Question : You spoke about a multipolar world. The previous Government was very supportive of the anti-ballistic missile shield proposed by the US. Will your Government support that?

Minister of External Affairs: No, it was not supported by the previous Government. It was supported by a particular individual of that Government. I do not want to take the name. You know who he is.

Question : *As External Affairs Minister, your first visit is going to be to Nepal. What will be your agenda?*

Minister of External Affairs*: I will holds talks there. That is why I am going there. We give so much importance to our relations. It is a neighbouring country. We have good relations. The situation there is frightening for them as well as for us. Otherwise, others will come and intervene. So, I will hold talks, I will meet the King and all parties. I will say that we are very concerned, that we want their well-being. But if the process of democracy that you had started comes to an end, more complex issues will come up, resolution of which will be very difficult.*

Question : Just a follow up to what has already been asked. On missile defence, yes, an individual might have championed the case, but the previous Government was engaged in dialogue with the United States…*(Inaudible)*… Ballistic Missile Conference in Berlin …*(Inaudible)*… Will the present Government keep up the tempo of engagement with the United States on Missile Defence given the kind of statements that were being made earlier. …*(Inaudible)*…

Secondly, the UN Resolution that you have seen the draft of, very clearly stipulates that even the sub-component of the multinational force being designed to protect the UN operations will be under the control of the overall command of …(Inaudible)… Under the circumstances, could you tell us if that language survives intact, will India then take part in this multinational/peacekeeping force?

Minister of External Affairs: Even a country like Spain has withdrawn its forces. Even a country like Honduras has withdrawn its forces. Even the Poles are having second thoughts.

On Missile Defence, I am not really competent to say any thing because I think in a day or two, the Cabinet Committee on Security Affairs

will be appointed. Cabinet Committee on Political Affairs - this is a matter which can only be discussed there because it is of extreme importance. We will look at it very very minutely and we will do what we think is right in the interests of our country.

Question : There was a conspicuous pro-US tilt in the last Government. Will there be a course correction now?

Minister of External Affairs: …during the visit of Mrs. Gandhi to Washington in 1982, at the Washington Press conference she was asked, 'Mrs. Gandhi! You have a tilt towards the Soviet Union.' And she said, we do not have a tilt, we stand straight. We intend to follow Shrimati Gandhi.

Question : Just a follow up question on China. Would you say that your Government's policy on China will be consistent? You have said that the Vajpayee Government's policy was not consistent on Pakistan. Could you say the same for its policy on China, in view of the visit of Mr. Vajpayee to China last year, especially on the question of Tibet?

Minister of External Affairs: I know this was debated in the Rajya Sabha and I was the principal spokesman of the Congress party. We had welcomed his visit to China and we welcomed the outcome of the visit. When he made the statement in the Rajya Sabha on the visit, I took out the statement that he had made in 1989, few weeks after Mr. Rajiv Gandhi's visit to China. I read out his statement and he had said that when the Chinese leaders mentioned Tibet to Mr. Rajiv Gandhi, Mr. Rajiv Gandhi missed a great opportunity of putting across India's point of view. And that Nehru had made a Himalayan blunder on Tibet. So I asked him, 'Prime Minister, you said this thing in this very House. Now, Nehru and Rajiv Gandhi made a blunder, a Himalayan blunder, what blunder did you make? A celestial blunder! Did you raise this issue or not?' Yes. Then why did you raise it? And what was the answer? The answer was the same as Rajiv Gandhi was given …*(Inaudible)*… You should have said that no we will not discuss Tibet with you, but you did. So, it is very good that you discussed Tibet with them. His statements are on record. I read them out to him. It is all very well now for you, Prime Minister, but you said it here in 1988.

Question : What about the other things which went on in the previous Government - the meeting of Foreign Ministers of India, China and Russia; and the IBSA Dialogue Forum initiative taken between India, Brazil and South Africa?

Minister of External Affairs: Indeed, we are all for it. It is a good thing. This is not a gang-up against anybody. Geographically a major part of Russia is in Asia. So, we would like to have this. The process will continue.

Question : Would you like to, say, include China and Russia in IBSA Initiative?

Minister of External Affairs: We have not got that far. I have not read all the papers.

Question : You just proposed a common nuclear doctrine with China and Pakistan. Are you going to raise this with the Pakistan delegation during the expert level talks?

Minister of External Affairs: Well, this is a matter which has to be discussed at the highest level and the National Security Advisor and some of us will sit down. The objective is to have a policy for the two States that have become nuclear powers. With China also as a nuclear power, it is essential that we speak the same language because it is not just three countries, it is in fact the whole world. Therefore, this will be given very high priority. We mentioned this in our manifesto and the Common Minimum Programme that there will be a mechanism for this. But this issue has to be addressed. The previous Government did nothing for four years. The instrumentality that it produced did not function.

Question : Just a follow up on the last question. In case of a common nuclear doctrine, how do you propose to work around the reality that the Pakistan nuclear programme is targeted against India?

Minister of External Affairs: I think that we will try in a friendly spirit to convince them and I think in this regard there will be other countries who will be expressing similar views to ours. The fact of the matter is that while our nuclear programme has been transparent, a gentleman called A.Q. Khan has been having a private enterprise on nuclear weapons. That is an extraordinary situation. To say that the Government of Pakistan was not aware is to do grave injury to our intelligence.

Question *: With regard to India-Pakistan relations, former Prime Minister Vajpayee has said that both countries should avoid exchange of public statements (bayanbaazi). Would you take his advice?*

Minister of External Affairs*: I have great respect for Vajpayeeji. It will take us 50 years for us to come near to matching the exchange of public statements (bayanbaazi) that took place during his regime. There will be no exchange of public statements (bayanbaazi). I have been in this field for fifty-one years. When I came to the Foreign Service it was said, 'an accomplished diplomat thinks twice before saying nothing.' So, I will use measured language. The exchanges through the media that have taken place have occurred from that side. When the question of Sino-Indian model came up, they got worried because they cannot say anything to China. We did not say anything formally. But the reply from the other side came formally in newspapers. There is one specific newspaper in our country which ran a headline saying, 'Natwar Singh trashes Musharraf'. God bless them for the language they use.*

Question : Infiltration levels…*(Inaudible)*… On Kashmir, are you expecting a tough summer?

Minister of External Affairs: If you are speaking climatically, yes, it is 44 degrees today. But if you are speaking politically, I do not think so. Let me give you a little philosophical answer. Crisis management is India's strong point. Otherwise, this democracy could not have survived. We are very good at reconciling contradictions. Otherwise, Indian democracy would not work. That Indian democracy works is one of the political miracles of the last hundred years. I am aware of its drawbacks and also its strengths. The fact is the transfer of Government in the last few days is, if I humbly say so, worth emulating in other parts of the world. So, if there are any hurdles, we will tackle them with wisdom, and with restraint and with goodwill.

I also want to say, especially to our friends, the information revolution is one of the great events of the last 25-30 years. So, we have a great amount of knowledge and great amount of information. But if this information and knowledge is not used with wisdom, that is a recipe of disaster. So, everything depends on how wisely you tackle the problems because decision has to be made instantly. If Babri Masjid had happened fifty years ago the world would have taken three months to know. It knew in one minute. If Gujarat had happened forty years ago, nobody would have known. They knew Gujarat happened all over the world. We have the information, we have the knowledge. Regrettably, the previous Government did not use that knowledge and information with wisdom. They used it for political

purposes instead of thinking in terms of this great country, and as wise men. This is a blot on us. We have to put an end to it. So, information and knowledge must be combined with wisdom. There is no lack of wisdom in India. They are wonderful people whose instinctive wisdom said that there is no shining India, there is no feel-good anywhere, there is no *uday yatra.* We did not: it is the inner strength and spiritual resource of Indian people which responded to this nonsense.

Question : India has been striving to become a permanent member of the Security Council for some years. When do you think will that be possible?

Minister of External Affairs: The Charter of the UN has to be revised. The Charter lays down that all five permanent veto power members must agree to review of the Charter. That is a very difficult exercise. In my judgment, it will have to be a package. No one country will come. India is always there, some from South America – Brazil, a country from Africa, Japan, Germany. It has to be a package. Unless all the five agree, I do not see it happening, but it should, because the United Nations Security Council is not a democratic body. It was found when there were only 51 members of the United Nations in 1945. Now there are 192 and there are only five permanent members with veto.

Question : What is your policy towards Myanmar?

Minister of External Affairs: Our Ambassador from Myanmar is here. He briefed us about what is happening there. I think we should do much more, first for the release of Aung Sang Suu Kyi.

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016. Extracts from President Dr. A. P. J. Abdul Kalam's address to the Joint Session of Parliament.

New Delhi, June 7, 2004.

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The Government will give the highest priority to building closer political, economic and other ties with its neighbours in South Asia and to strengthening the SAARC. Particular attention will be paid to regional projects relating to water resources, power and ecological conservation. Dialogue with Pakistan on all outstanding issues will be pursued on a sustained basis within the framework of the Shimla Agreement and all subsequent agreements between the two Governments, including the Joint Statement of January 6, 2004. My government will support the peace initiative in Sri Lanka that fulfills the requirements of all sections of the people of Sri Lanka for a life full of dignity and self-respect and meets the legitimate aspirations of all linguistic and religious minorities, while respecting the territorial integrity and solidarity of Sri Lanka. My government shall seek to resolve outstanding issues with Bangladesh and strengthen our relations with this important neighbour. It will continue to attach great importance to our close and vibrant partnerships with Bhutan, Nepal and Maldives. Trade and investment with China will be expanded further and talks on the boundary question will be pursued purposively. India will also expand political and security exchanges with China to ensure regional security. We welcome moves for an early restoration of sovereignty to the people of Iraq. We note with satisfaction the UN involvement in this process. Our traditional friendship with Afghanistan has been revived under the Government of President Karzai. My government has developed multi-faceted cooperation with Myanmar, Iran and all the countries of Central Asia.India attaches high importance to its relations with the United States of America. We will pursue a closer strategic and economic engagement with USA, the European Union and Japan. The Russian Federation remains an important entity in India's foreign policy orientation, given the long-standing and multi-dimensional convergence of interest and the resultant strategic partnership between India and Russia. The relationship with ASEAN collectively, and with the countries of that region individually will be intensified. Traditional ties with the countries of West Asia will be given a fresh thrust. My government will continue to fully support the legitimate

aspirations of the Palestinian people. Our relations with Israel, which have developed on the basis of mutually beneficial cooperation, are important, but this in no way dilutes our principled support for the legitimate aspirations of the Palestinian people. India will pursue an independent foreign policy on all regional and global issues keeping in view our interests. We have to reorient the role of Non Alignment in a post-Cold War, globalising world. My government is committed to fostering multipolarity in the world political and economic system.

Democracy has been described by someone as a periodic redistribution of power. The people of India have spoken loud and clear.

The mandate they have given to my Government is to treat power as a sacred societal trust to be used for the good of society, paying particular attention to the pressing needs of our farmers and other downtrodden sections. Our Government will stay faithful to this vision. The Government will work sincerely to build a national consensus for strengthening the secular and pluralistic foundation of our polity and to accelerate the process of social and economic development. Our people possess a vast pool of creative energies. They are eagerly waiting for the improvement in processes of governance for fuller utilisation of these energies for the task of nation building. All of us have an obligation to make the 21st century as India's century. India is destined to emerge as a major powerhouse of the evolving global economy and in the process also get rid of the chronic poverty, ignorance and disease which still affect large sections of our society. Your duty as representatives of the people is to canalise the tremendous upsurge among our people to build a new India free from the fear of want and exploitation. It is my earnest hope and wish that your deliberations will be marked by maturity and wisdom and guided by patriotic and selfless devotion to the cause of the nation.

I wish you all success in your endeavours.

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017. Press statement by Minister of State E. Ahamed at a press conference regarding facilities for attestation of educational documents, issue of passports etc.

New Delhi, June 11, 2004.

I. Issue of Attestation of Educational Documents

Ministry of Human Resource Development has agreed to authorise respective State Governments to authenticate the educational certificates of applicants. The State Governments will authorise senior officials of their Education Departments to authenticate the educational certificates. Once the educational certificates have been authenticated by the State Governments, Ministry of External Affairs will attest the authentication done by the State Governments. The new arrangement will come into force as soon as possible.

II. Passports

(i) For public convenience, decentralization scheme for receipt of passport applications at district level in the office of District Magistrate or Superintendent of Police has been implemented in 24 States where 400 District Passport Cells (DPC) have been established for this purpose.

(ii) District Passport Cells receive applications and after having the police verification carried out, send it to passport offices for further processing and issuance of passports. DPCs increase accessibility by allowing the applicants to go to their nearby District Passport Centres, within few kilometers of their residences, rather than going to RPOs located in different cities.

(iii) The State Governments will be encouraged to make arrangements for greater connectivity and greater use of information technology for sending on line details of applicants to passport offices.

(iv) State Governments will be requested to conduct police verification expeditiously to reduce time taken in issuance of passports. State Governments will be encouraged to popularise the decentralisation scheme which can also be a source of revenue to the State Governments as MEA gives Rs.200/- to State Government for each

application received at DPCs. Besides, Rs.100/- is paid to State Governments for applications received directly at RPO for police verification if received in less than 30 days and Rs.50/- if received beyond 30 days.

III. Haj

It has been observed that the decision taken in Haj 2004 to pay SR 50/- per pilgrim to the religious guides (Mutawifeen) had resulted in 96% of Indian pilgrims stay inside the traditional boundaries of Mina, as compared to 48% in Haj 2003. In order to ensure that all the 72000 pilgrims who perform Haj through the Haj Committee of India, Mumbai stay inside the traditional boundaries of Mina, it has been decided to award catering service contract to South Asian Moassassa @SR 120/- per pilgrim (including SR 50 paid during Haj 2004). The South Asian Moassassa would not only provide 13 meals to the pilgrims during core Haj days but would also ensure that all the 72000 Indian pilgrims going through the Haj Committee are accommodated in the traditional boundaries of Mina by allocating exclusive Maktabs. This would greatly help the pilgrims as they would then be able to focus on Haj rituals, by not having to worry about food etc.

Some significant features on arrangements for Indian pilgrims for Haj 2005 are :

a) Total computerization of pilgrims' location and movement including those who have come under private tour operators.

b) Private tour operators will be brought under stricter regulation to prevent exploitation of the pilgrims.

c) Subsidy withdrawal in select cases will be reviewed.

d) No. of Indian Hajis next year would be 120,000 including 72,000 under the Haj Committee.

IV. Helpline:

The Ministry of External Affairs proposes to set up a Help Line in the Embassy of India, Riyadh for the benefit of the Indian community in Saudi Arabia. This telephone based help line would function 7 days a week round the clock and would be manned by officials conversant in Indian languages such as Urdu, Malyalam, Hindi, Tamil and Telugu. A written record of all

calls made would be maintained and brought to the attention of the concerned officials in the Embassy at the earliest so that appropriate advise and guidance is rendered to the affected Indian nationals. The helpline would assist the Indian community people with regard to matters of consular nature such as accidents, deaths matters, hate crime, arrests, detention, loss of travel documents, etc. Based on its performance, the helpline could be extended to CGI in Jeddah.

V. Emigration Status

Some relaxations are likely to be made for eligibility of emigration check not required status (ECNR). Following categories would be automatically given ECNR status

i) Indian nationals who have passed 10+2 Certificate Examination. Earlier applicants were required to have a graduate degree.

ii) Diploma holders of national vocational training institutes such as Polytechnics and Indian Technical Institutes.

iii) Persons below 18 years and above 50 years of age. It is also being examined whether applicants with employment visas and having insurance cover Pravasi Bhartiya Bima Yojna could also be exempted from Emigration Check required (ECR category).

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018. Media briefing by Official Spokesperson on the meeting of External Affairs Minister K. Natwar Singh on the margins of Asian Cooperation Dialogue, Qingdao (China).

New Delhi, June 21, 2004.

As you know the External Affairs Minister Shri K. Natwar Singh is currently in China to attend the ACD meeting. At the same time he has had a hectic round of consultations today with several Foreign Ministers taking advantage of the margins of the multilateral meeting. He has met this morning the Foreign Ministers of China, Singapore, Republic of Korea and Indonesia. He has also hosted a working lunch for Foreign Minister Kasuri of Pakistan. In the afternoon, he called on the Prime Minister of Thailand and in the evening as we speak he would be meeting Foreign Ministers of Japan, Kazakhstan and Oman. Later on he is to receive the Deputy Foreign Minister of Sri Lanka. I will give you a few points on some of these meetings.

With China, Foreign Minister Li Zhaoxing welcomed the External Affairs Minister and recalled with great warmth the telephonic conversation that they had last month after the External Affairs Minister assumed office. He noted that India and China have very good relations and there is no conflict of fundamental interest between them. China also believes that friendship and cooperation between India and China is not merely in bilateral interest, but also contributes positively to regional and global peace and stability.

Foreign Minister Li conveyed to the External Affairs Minister that China is ready to work with the new government in India to develop deeper relations in the political, economic, military and other fields. He welcomed the Indian government's decision to nominate National Security Adviser, Shri J.N. Dixit, as India's Special Representative for discussions on the boundary issue. The third meeting of Special Representatives is expected to take place in the near future.

Shri Natwar Singh conveyed to Foreign Minister Li that the Government of India attaches great importance to relations with China. He invited Foreign Minister Li to visit India and reiterated Prime Minister Manmohan Singh's invitation to Premier Wen Jiabao to visit India later this year. Foreign Minister Li accepted this invitation and conveyed his hope that he would be able to visit India in the near future.

Shri Natwar Singh also underlined that India is committed to developing relations with China on the basis of the principles of Panchsheel, mutual sensitivity to each other's concerns and equality. India wants improvement in bilateral relations at all levels and wishes to address all outstanding issues in a fair, reasonable and mutually acceptable manner.

The two Ministers also discussed other aspects of bilateral relations including the celebration of the 50th anniversary of Panchsheel on June 28, 2004 on which occasion External Affairs Minister will be hosting a reception in New Delhi and there will be a function.

Both sides agreed that it is important to continue to sustain the development of trade relations and defence exchanges.

Foreign Minister Li also took the opportunity to thank India for its consistent support to China at the Commission of Human Rights in Geneva and for India's one-China policy.

He briefed the External Affairs Minister on the forthcoming third round of the six-party talks on the Korean Peninsula and also discussed the situation in Iraq.

As regards the working lunch with the Foreign Minister of Pakistan, External Affairs Minister of India Shri K. Natwar Singh had a warm and productive meeting over a working lunch with Foreign Minister Khurshid Mahmud Kasuri.

This was their first direct meeting following upon the several telephone conversations between them. This was also the first high-level direct political contact after the new government took over in India.

The two Ministers reviewed the progress in all aspects of bilateral relations including Jammu & Kashmir, and implementation of the framework for the dialogue process worked out in February by the Foreign Secretaries of the two countries.

They assessed positively the progress in the discussions held, including at the meetings between BSF and Pakistan Rangers, the Narcotics Control Authorities of the two countries, and the Expert Level dialogue on Nuclear CBMs. They welcomed the agreement worked out in the meeting, which concluded yesterday, to establish and upgrade communications, and

work for specific CBMs, including through an agreement on advance notification of missile tests. India and Pakistan have also called for regular working level meetings to be held among all the nuclear powers to discuss issues of common concern.

They reiterated that they looked forward to the meeting of the Foreign Secretaries scheduled for June 27-28, and to concrete outcomes from that meeting so as to take forward the present process.

The two Ministers agreed to remain in regular touch and provide continuous political guidance to the on going process. They expect to meet each other on several occasions over the next two months.

Some details on the meeting with Singapore. In this meeting the External Affairs Minister recalled his past association with Singapore, in particular, with Senior Leader Mr. Lee Kuan Yew. The Foreign Minister Mr. Jayakumar described the External Affairs Minister as an old friend of Singapore. Prime Minister of Singapore, Mr. Goh Chok Tong, will be visiting India next month to receive the Jawaharlal Nehru Prize for International Understanding. This will be the first visit at Head of State/Head of Government level after the new Government has assumed office.

They stressed need to further promote trade and economic interaction on the basis of the existing Economic Cooperation Agreement and to finalize the Mutual Legal Assistance arrangement. Foreign Minister of Singapore expressed their strong and continued support for greater interaction between India and ASEAN. External Affairs Minister expressed his appreciation for Singapore's support in this regard and noted the importance India attaches to developing relations with ASEAN as part of its 'Look East' policy. He was invited to visit Singapore and he accepted the invitation.

With Republic of Korea in his warm and friendly meeting, there was satisfaction expressed over the development of bilateral relations. Shri Natwar Singh noted that Korean products have become a household name in India and said that India awaited the ROK President later this year on his state visit to India.

It may also be worth noting that this year is the thirtieth anniversary of the establishment of the India-ROK diplomatic relations. This was described by Foreign Minister Ban in the meeting as an important event in ROK's diplomatic history. He recalled that India was the first among the

NAM countries to establish diplomatic ties with ROK and expressed happiness over the proposed celebration activities to be held in Seoul later this year by the Indian Embassy.

He also briefed the External Affairs Minister on the important recent developments in the Inter-Korean relationship. He noted that the developments on the Korean Peninsula had implications for the entire region and recalled India's role in the Korean issue at the time of the ROK's independence. EAM concurred that the nuclear question is an important global issue and must be so treated.

Foreign Minister Ban also invited the External Affairs Minister to Seoul for the 3rd meeting of the India-ROK Joint Commission scheduled later this year and this was accepted.

With Indonesia, External Affairs Minister noted the positive developments in the bilateral relations and conveyed our desire to strengthen trade and economic relations, particularly in the energy sector. Both sides agreed that there was tremendous potential for expanding bilateral trade relations, and during Indonesia's Presidency relations had expanded considerably between India and ASEAN. Foreign Minister Wirajuda invited Indian investment in Indonesia. At the same time both the leaders expressed their common concern over the growing threat of terrorism in the region. The Indonesian Foreign Minister briefed EAM on the preparations for the 50th anniversary of the Bandung Conference and said that he looked forward to the forthcoming ARF Ministerial Meeting at which he would be able to meet the External Affairs Minister again on July 1 and 2.

External Affairs Minister, as I said, also called on the Prime Minister Shinawatra of Thailand. The Prime Minister stated that he looked forward to welcoming Prime Minister Manmohan Singh at the BIMSTEC Summit to be held on the 30th and 31st July 2004 in Thailand. Both sides expressed happiness at the cordial state of bilateral relations and looked forward to progress in areas of mutual interest.

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19. Qingdao Initiative adopted at the Asian Cooperation Dialogue among the twenty-two countries of Asia.

Qingdao (China), June 22, 2004.

We, Ministers of Foreign Affairs and other Heads of Delegation from 22 countries, namely, the Kingdom of Bahrain, the People's Republic of Bangladesh, Brunei Darussalam, the Kingdom of Cambodia, the People's Republic of China, the Republic of India, the Republic of Indonesia, Japan, the Republic of Kazakhstan, the Republic of Korea, the State of Kuwait, the Lao People's Democratic Republic, Malaysia, the Union of Myanmar, the Sultanate of Oman, the Islamic Republic of Pakistan, the Republic of the Philippines, the State of Qatar, the Republic of Singapore, the Democratic Socialist Republic of Sri Lanka, the Kingdom of Thailand and the Socialist Republic of Viet Nam, gathered in Qingdao, China for the Third ACD Foreign Ministers' Meeting, during which we held far-ranging and intensive discussions on Asian energy cooperation, and reached common position on a number of important questions.

Endorsing the consensus points reached during the First Meeting of the ACD Working Group on Energy Security held in Manama, the Kingdom of Bahrain on 13 January 2004 and the Second Meeting of the ACD Working Group on Energy held in Makati City, the Republic of the Philippines from 19-20 May 2004.

Recognizing the need for a secure, stable and sustainable energy supply and demand.

Conscious of the importance of energy security to all countries due to its direct linkage to economic development, impact on regional as well as global peace and stability, and the welfare of future generations.

Maintaining that sustained and stable energy production and supply serve the fundamental interests of each country and constitute the common aspiration and objective of their national energy policies.

Stressing that, as a common problem facing the international community, energy security can only be attained through candid dialogue and mutually beneficial cooperation, which should become an important component of regional and international cooperation.

Noting that Asia is an important player in the global structure of energy supply and demand, being home to some of the world's major energy producers as well as consumers, and that there exist opportunities for cooperation in sustainable energy development.

Recognizing the necessity of close communication and cooperation with other international energy fora and organizations as well as relevant ministries or agencies in charge of energy in each country in conducting effective energy cooperation.

Reaffirming the commitments of ACD countries to enhance energy cooperation and dialogue based on the principles of mutual respect, equality, reciprocity and mutual benefits, so as to attain energy security for sustainable development in Asia.

We hereby decide that the following cooperation be implemented voluntarily in the spirit of ACD:

1. Enhancing exchanges of information on energy among ACD countries, so as to promote openness and transparency of energy situation.

2. Encouraging cooperation on energy exploration and exploitation, including participation of the private sector, as well as actively exploring the potential for new energy reserves in Asia through consultation among interested parties.

3. Strengthening cooperation on energy conservation, energy efficiency, renewable energy with special emphasis on the increasing use of bio-energy and clean energy, so as to achieve balance in energy utilization and environmental protection in Asian countries.

4. Promoting scientific, technological and commercial cooperation for the development and production of energy from renewable resources including through wind, bio-gas and solar processes.

5. Enhancing cooperation in rural electrification and exploring the feasibility of creating a regional power grid, which could be helpful for supplementing regional power needs.

6. Encouraging countries to exchange and share views on the international energy market with a view to facilitating a fair energy pricing for both consumers and producers in Asia.

7. Promoting a conducive environment to attract investors to play a more significant role in the energy sector of ACD member countries.

8. Strengthening coordination and cooperation, within their capacities and national interests, in the construction of oil and gas pipelines and other means of energy transportation, storage facilities/stockpiling as well as hydro power stations, and promoting the possibility of establishing a regional network to facilitate the efficient transport/transmission of energy.

9. Taking into account the United Nations Convention on the Law of the Sea (UNCLOS), ensuring safe transportation along vital energy shipping routes through dialogue and cooperation, while taking also into full consideration the territorial integrity and the security concerns of all parties concerned.

10. Strengthening cooperation in human resources development and promoting technology sharing through training and exchange of best practices, with a view to building capacity in the energy sector.

11. Exploring the possibility of establishing a forum on energy cooperation in Asia, to follow up the outcomes of this meeting including exploring specific ways and areas for energy cooperation in Asia and encouraging related enterprises, institutions and agencies in all countries as well as various sub-region of ACD, to actively participate in the activities. The said forum should be open and not exclusive to ACD members. The ACD Working Group on Energy should determine the mandate and the scope of responsibilities of the forum on energy cooperation.

Adopted on 22 June 2004 in Qingdao, China.

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020. Declaration on Asia Cooperation adopted at the Asian Cooperation Dialogue under the title: Hand in Hand for a Better Asia.

Qingdao (China), June 22, 2004.

We, Ministers of Foreign Affairs and other Heads of delegation from 22 member countries of the Asia Cooperation Dialogue (ACD), namely, the Kingdom of Bahrain, the People's Republic of Bangladesh, Brunei Darussalam, the Kingdom of Cambodia, the People's Republic of China, the Republic of India, the Republic of Indonesia, Japan, the Republic of Kazakhstan, the Republic of Korea, the State of Kuwait, the Lao People's Democratic Republic, Malaysia, the Union of Myanmar, the Sultanate of Oman, the Islamic Republic of Pakistan, the Republic of the Philippines, the State of Qatar, the Republic of Singapore, the Democratic Socialist Republic of Sri Lanka, the Kingdom of Thailand and the Socialist Republic of Viet Nam, gathered in Qingdao, China for the Third ACD Foreign Ministers' Meeting.

We note that the international situation is undergoing complex and profound changes and emphasize that peace, development and cooperation are current international order. We also note that factors adversely affecting peace and development still exist, but maintaining peace and stability, promoting development and prosperity and realising win-win cooperation represent common aspirations among Asian nations.

We acknowledge that economic globalisation and advancement of scientific and technological cooperation have increased the level of integration and interdependence among the Asian nations. We also understand that Asian nations need to work collectively to seize the opportunities and meet various challenges of the 21st Century.

We recognise that Asia, the largest and most populous continent on the globe, boasts of abundant natural, human and cultural resources and stands as one of the most economically dynamic regions in the world and that the rising productivity of most Asian nations is making them more mutually dependent on each other's markets. We also recognise that all these offer vast opportunities for cooperation among Asian nations.

We recognise that diversity is a prominent feature of Asia and

understand that the varying levels of development, different economic and social systems and diverse cultural heritages of Asian nations should not be an obstacle to pan-Asian cooperation, but should serve as a driving force for such cooperation. We firmly believe that Asian nations should preserve their cultural diversity and respect each other's development models and strategies. While recognising differences and seeking common ground, we will move forward hand in hand for a closer cooperation.

We note with pleasure that Asia has been increasingly aware of the importance of mutual benefit and win-win cooperation, thriving cooperation of various forms at regional and sub-regional level and multiplying regional trade arrangements. We also note that regional cooperation has greatly contributed to peace and development in Asia.

We value the contribution by regional cooperation mechanisms, such as the Association of Southeast Asian Nations (ASEAN), ASEAN plus China,, Japan and Republic of Korea (ROK) Cooperation (10+3), ASEAN+I (China, India, Japan, ROK), the Shanghai Cooperation Organization (SCO), the South Asian Association for Regional Cooperation (SAARC), the Economic Cooperation Organization (ECO), the Bangladesh, India, Myanmar, Sri Lanka, Nepal, Bhutan, and Thailand Economic Cooperation (BIMST-EC), the Conference of Interaction and Confidence Building Measures (CICA) and the Gulf Cooperation Council (OCC), to the enhancement of mutual trust and understanding and the promotion of regional economic cooperation and integration. We recognize that these endeavours have created a network of cooperation and laid a solid foundation for Asia-wide cooperation for the benefit of Asian peoples.

We emphasize the constructive role of ACD as an important link of all sub-regions, building upon Asia's potentials and strengths through supplementing and complementing existing cooperative frameworks. The forum provides a useful platform for dialogue and cooperation among Asian countries, based on its core values of positive thinking, inclusiveness, comfort level, as well as ACD as an informal, incremental and evolving process.

We endorse with satisfaction a number of ACD project activities over the past two years, including poverty alleviation, financial cooperation, tourism, SMEs, biotechnology, IT, energy, e-education, agriculture, strengthening legal infrastructure, standardization and environmental

education, which have helped enhance an Asia-wide cooperation and served the fundamental interests of Asian peoples.

We acknowledge that Asia's economic integration is still at an initial stage and its level of cooperation has to be further strengthened. In promoting regional integration, we believe that Asia mast be outward-looking. Asia's prosperity is bound with other regions, based on equal partnership. We also recognise that the ACD is well in a position to play an important role in this regard.

In view of the above, we reaffirm our commitment to basic principles stipulated, in, the UN Charter, and other universally recognised international norms such as the Five Principles of Peaceful Coexistence. We will make efforts to expand and deepen Asia cooperation in all areas under the principles of equality, reciprocity, mutual benefit and gradual progress and to build a new Asia where lasting peace and prosperity prevails. To this end, we hereby declare the following:

1. To intensify political dialogue and enhance mutual trust. Asian nations should resolve their disputes or discords through dialogue, with a view to preserving peace and security through cooperation. We will enhance cooperation and coordination on international and regional issues and work to create a harmonious and stable environment in the region.

2. To enhance economic cooperation and promote regional integration process. While taking an active part in the new round of WTO negotiations, we will vigorously develop intra-regional trade, promote investment activity for bilateral and regional economic development, complement each other's resources needs, and encourage regional trade arrangements.

3. To promote sustainable development of agriculture and to ensure food security and food safety as well as to promote Asia's balanced development. In view of Asia's predominantly agricultural economy of most developing Asian nations, we will intensify dialogues on agricultural policies and practical agricultural techniques. Asian nations should also encourage cooperation in human resources, agricultural research and. development, poverty alleviation, rural development, disaster prevention and post-disaster restoration to further develop their agriculture and rural economy.

4. To promote financial stability, particularly through the development of a sound and solid financial infrastructure. We will seek to implement the

Chiang Mai Declaration on Asian Bond Market Development adopted by the Second ACD Ministers' Meeting in June 2003, including the future establishment of Asian bond fund which will invest in local currency denominated bonds, strengthen financial market information sharing, develop capital markets and support efforts to facilitate regional investments.

5. To boost cooperation in Information Technology (IT) and bridge the digital divide within Asia and between Asia and the world. We will endeavour to elevate Asia's overall level of science and technology, cooperate in ensuring cyber and information security and enhance cooperation in the standardisation, R&D and marketing of information and communication technologies, as well as promoting transfer of technology. We will encourage cooperation among telecommunication companies and software developers.

6. To promote energy cooperation that will help sustain the region's economic and social development. We will step up collaboration to ensure security of energy supply at reasonable costs acceptable for both producers and consumers, and with due consideration of the environment. We will, based on Qingdao Initiative, facilitate joint undertakings that will enhance research and development on energy efficiency, renewable energy sources, alternative fuels and energy infrastructure networks such as oil storage systems, regional energy transport and power interconnections and will also improve investment climate and encourage the private sector's participation in the region's energy development.

7. To give full play to Asia's advantage as the cradle of ancient civilizations, facilitate inter-cultural exchanges and advance dialogues among different civilizations. We will take feasible measures to foster cultural exchanges within Asian nations and make these exchanges a stepping stone for increasing Asian culture's influence throughout the world. Asian culture and art events will be promoted to deepen Asian's mutual understanding of each other's culture.

8. To step up tourism cooperation. We will make full use of Asia's diverse and colourful tourism resources and promote Asia's tourism industry in a sustainable and environmentally sound manner and make travel into and within Asia easier and more efficient. We will facilitate the development of each other's tourism and travel facilities, encourage our nationals to visit each other's tourist destinations, and jointly promote Asia's diverse and colourful tourism resources to the rest of the world.

9. To work together to build a green Asia. We will seek to raise awareness of and cooperate on environmental protection concerns while addressing the legitimate demands of economic and social development, and reinforce cooperation in anti-pollution, forestry protection, water resources utilisation and management, marine eco-system protection, climate change, bio-diversity and environment education in order to strike a proper balance between economic, social development and environmental protection.

10. To strengthen cooperation in public health and improve disease control and prevention. We will endeavour to make full use of existing international frame-works in order to establish a regional disease/epidemic database and emergency medical assistance system, collaborate in laboratory diagnostic capability and capacity and advance the study of traditional medicines. Each country may designate one or more of relevant institutions to coordinate such cooperation.

11. To strengthen media cooperation. With a view to promoting mutual understanding among Asian peoples, we will advocate regular contacts and exchanges among Asian media practitioners and encourage a fair, objective and comprehensive coverage of news or other events in each other's countries. We will facilitate cooperation in media industries so as to make Asia's voice better heard in the world.

12. To enhance exchanges and cooperation among the public, private and academic sectors of Asia. We will encourage the activities of the Boao Forum for Asia (BFA) and other academic institutions in ACD member countries and jointly draw up a blueprint for future Asia cooperation.

13. To promote a sense of community among Asian people. We will enhance dialogue and understanding through intellectual, cultural and people-to-people exchanges with our strong belief that it is ultimately the peoples of Asia who will sow the seeds for peaceful coexistence and mutual prosperity in the region.

It is our conviction that Asia's peace, stability and prosperity depend on concerted endeavours among Asian nations. Asia cooperation based on respect for diversify, tolerance and greater openness will significantly contribute to peace, stability and prosperity of the world.

Adopted on 22 June 2004 in Qingdao, China.

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021. Extracts from Prime Minister Dr. Manmohan Singh's address to the Nation on Foreign Policy of the United Progressive Alliance Government.

New Delhi, June 24, 2004.

"My Fellow Citizens,

I speak to you with a deep sense of humility, fully conscious of the sacred responsibility entrusted to me. You have assigned the task of governance of our country to the United Progressive Alliance and its supporting parties. You have delivered your verdict and the verdict is clear. You have sought a change in the manner in which this country is run, a change in national priorities, and a change in the processes and focus of governance. You have, through your mandate, made it clear that economic growth has to be accompanied by equity and social justice. You have expressed concern for the poor and disadvantaged sections of our society and for minorities and backward regions to be at the heart of all policies of the government.

lf-reliant and proud citizens. Our children need modern and relevant education aimed at making them concerned, capable and caring citizens of the Republic.

* * * *

We will maintain our tradition of an independent foreign policy, built on a national consensus and based on our supreme national interests. We will expand our network of international relationships – preserving solidarity with traditional allies and strengthening new partnerships. We will work with like-minded nations for an equitable, multi-polar world order, which takes into account the legitimate aspirations of developing countries.

We desire to live in a neighbourhood of peace and prosperity. We will actively pursue the composite dialogue with Pakistan. We are sincere about discussing and resolving all issues, including Jammu & Kashmir. We recognize that resolution of major issues requires national consensus and accommodation of public sentiment in both countries. It is self-evident that terrorism and violence would cast a dark shadow over this process. With our other South Asian neighbours, it will be our sincere effort to jointly

realize the vast potential for cooperation, and to ensure mutual security, stability and development.

In our relations with China, we are encouraged by positive developments, which we are committed to strengthening. Bilateral economic cooperation has shown remarkable growth and diversification. We shall carry forward the process of discussion to resolve the boundary question from the political perspective of our bilateral relations.

As two of the world's great democracies, our strengthened relationship with the USA is a fact of considerable importance. The transformation of our relations with USA has been supported by the expansion of economic links and people to people ties. We will welcome the expansion of cooperation between the two Governments to include new and mutually beneficial areas, particularly high technology.

The strength and vibrancy of our partnership with Russia has withstood the flux of the post-Cold War world. We will accelerate the diversification of our relationship, particularly in defence, high technology, space and nuclear energy, while intensifying economic cooperation.

We have traditionally strong relations with the countries of Southeast and West Asia, based on cultural affinities, economic interaction and a vibrant Indian expatriate community. We aim to build upon these. While speaking of West Asia, I must share our deep concern about developments in Iraq and the suffering of the people of that country. It is our earnest hope that democracy would be restored and full sovereignty transferred to a truly representative Government of Iraq. India is committed to participate in all endeavours aimed at bringing stability and to ensure the well being of the Iraqi people.

We will also strengthen our bilateral relations with developing countries of Latin America and Africa. Similarly, strong ties with the nations of Central Asia are of importance for our international trade, as well as for our strategic and energy security.

We will actively pursue a cooperative relationship with the European Union to expand the political and economic frontiers of collaboration. We welcome the inclusion of many new member states, with whom we have a long tradition of cooperation.

I wish to place on record the nation's deep sense of gratitude and pride in the valour, professionalism and the spirit of self-sacrifice of our armed forces. I assure the nation that we will not be found wanting in providing for our armed forces, or in caring for our ex-servicemen. We will streamline defence acquisition procedures, so that our forces obtain the modern weapon systems and technologies. Our government will ensure that the necessary funds are made available for these purposes.

We will maintain a credible minimum nuclear deterrent, along with a policy of 'no first use' in our nuclear doctrine. India is a responsible nuclear power, and we will continue to work to prevent proliferation of weapons of mass destruction. At the same time, we remain committed to the goal of universal nuclear disarmament.

Internal security remains an important challenge. Terrorism poses a grave threat to the unity and progress of our nation. We shall combat it with all the resources at our command. There shall be no doubt whatsoever about our resolve to deal with this insidious threat to our nation.

The government will continue the process of dialogue with the Hurriyat and all other groups in Jammu and Kashmir. The Government is willing to talk with all disaffected groups provided they shun the path of violence.

We will adopt a comprehensive approach to the problem of national security, to create greater synergy between our intelligence agencies, closer coordination between internal security structures, more efficient civil-military interface and more effective harnessing of technology to national security management.

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022. Speech by Home Minister Shivraj Patil at an International Conference on "United Nations and the New Threats: Rethinking Security."

New Delhi, July 1, 2004.

Your Excellency Mr Anand Panyarachun, the distinguished Chairman of the UN High Level Panel on Threats, Challenges and Change, General Satish Nambiar, other eminent members of the UN Panel, Ambassadors, Excellencies, distinguished participants at this very important conference, (I recognize many accomplished former diplomats, officials, scholars and experts from South Asia and beyond amongst those present.)

I extend to you a very warm welcome, both in a literary sense, as this is indeed possibly the hottest time of the year in Delhi, but, also from the warmth of our very hearts. My colleague and friend Sri Natwar Singh, the External Affairs Minister of India is abroad, to attend the ASEAN Regional Forum (ARF) Ministerial Meeting, but has requested me to greet you on his behalf.

This is the first major international conference in the capital after the new Government has assumed power. I consider it entirely appropriate that this should be on the United Nations and the critical choices it faces today. The Indian Government, and here I should make a special mention of our first Prime Minister Jawaharlal Nehru, has always held the United Nations in the highest esteem. In the years following Nehru, India's sustained commitment to the United Nations has never wavered. We have consistently supported the United Nations in all its activities over the years. In recent years India has supported Secretary General Kofi Annan's initiatives and proposals. We in India are deeply conscious of your important work. The Secretary General of the United Nations has set forth a very ambitious task for you. As I recall, these are, to:

- Examine today's global threats and challenges to international peace and security;
- Identify the contribution that collective international action can make to address them; and finally, to
- Recommend changes to international organisations to ensure effective collective action.

It is a singular honour for me to address you today on these very important issues. And I do so form the heart of South Asia, representing a region that includes just a little less than a quarter of the world's population. In all humility, may I say that what you hear at this meeting will reflect the views of a very large portion of humanity that the United Nations has the privilege to embody.

Four years ago, at the global Millennium Summit at the United Nations, the world came out with a resounding declaration reaffirming our collective commitment to the principles of the United Nations Charter. We expressed our determination to establish a just and lasting peace in the world. We affirmed our faith in certain fundamental values and made a promise to jointly share the responsibility to manage the problems of the world. Peace, security and disarmament were to receive our highest attention. Development and poverty eradication around the globe were to be provided necessary resources. We agreed to accord environment protection the high priority it deserves. The most vulnerable among us were to receive greater attention from the international community. There was a promise too, to strengthen the United Nations and it's many component institutions and organisations. We set for ourselves ambitious goals. Among others, we resolved to have, by the year 2015, the proportion of the world's people who live on less than one dollar a day.

A number of major initiatives were considered to strengthen the United Nations. Among others, it was resolved to:

- Reaffirm the central position of the General Assembly as the chief deliberative, policy making and representative organ of the UN and enable it to play that role effectively.
- Achieve a comprehensive reform of the Security Council in all its aspects.
- Strengthen further the Economic and Social Council.
- Strengthen the International Court of Justice and
- Encourage regular consultations and coordination among the principal organs of the UN in pursuit of its functions.

Regrettably, the promises we made to ourselves have largely gone

unfulfilled. In the intervening years, major developments in the world have affected us all deeply. The dastardly terrorist .attacks in different parts of the world are universally acknowledged as a major global threat. No region and followers of no religion are immune from the long arm of the terrorist. Terrorism combined with proliferation of Weapons of Mass Destruction (WMD) to non-state actors is particularly pernicious. Violent conflicts continue in many parts of the world, especially in Africa, causing death and destruction on a large scale. There are other disturbing features around the world. The humanitarian disasters in many parts of Africa, the grave challenges of HIV/AIDS and other serious issues in health, the deprivations of large numbers of people in many parts around the world, have all challenged fundamentally the UN's ability to meet its own Millennium Declaratory objectives.

The United Nations today is indeed at a "fork in the road" as the UN Secretary-General has termed it. The New and dangerous combinations of threats and challenges that the world faces today are indeed formidable. The Secretary General has called this moment "no less decisive than 1945 itself", and we understand his concerns. But, with each challenging situation come new opportunities. We have to search for new ways to address these emerging challenges; develop new structures, evolve new arrangements to counter them and new thinking to sharpen our collective response.

At the Delhi Conference you will be addressing some specific issues. These cover: socio-economic challenges, terrorism, UN peacekeeping and the issue of UN reforms. All these are substantive topics on which, I am sure your deliberations will be rich and rewarding. It is not my intention to address all these issues, but as the Home Minister of India, I would like to say a few words on terrorism.

It is evident, even more than before, that terrorism is a global phenomenon that transcends borders and regions. As a long standing victim of terrorism, India had for long advocated a higher priority in the global agenda for effective international cooperation to counter this threat. We have repeatedly drawn attention to the fact that terrorism cannot be compartmentalized and that there can be no justification for terrorism on any ground. Since September 2001, the UN has been playing a more important role in the fight against terrorism. We welcome the efforts under the UN, including the UN Security Council resolution 1373. In combating

terrorism, effective domestic measures must be supplemented by sustained international cooperation, particularly through a strong and effective legal regime. The Comprehensive Convention on International Terrorism, tabled by India, is an important step in this direction. We believe that the development of approaches and solutions to tackle terrorism has to cater to regional and national specificity. Finding answers or developing mechanisms to tackle terrorism requires a multi-track approach in many fields, where, the experiences of countries indifferent regions of the world are vastly different. I am sure that the deliberations by experts in this segment will bring new insights and perspectives, some of which may reflect our concerns in the region.

Mr. Chairman, distinguished participants, your deliberations will no doubt also cover the institutional aspects of dealing with global threats and challenges. India strongly supports a strengthened and revitalized UN with its various organs functioning within their mandates in accordance with the UN charter. Reform and improvement are an intrinsic part of any dynamic organization and the United Nations is no exception. With nearly sixty years of UN's existence, what are the elements of reform and restructuring that the international community should look at?

Broadly, India has been supportive of Secretary General Chief Annan's initiatives and it stands committed to improving the efficiency of the entire UN system. As a universal forum the UN should have as its guiding principles, transparency, nondiscrimination, consensus and equal respect for all societies and nations. The current debate on UN reforms has many elements encompassing the work of the UN system: the General Assembly, the Economic and Social Council, the Security Council, other organs and the specialized agencies.

Since 1945, the membership of the UN has increased nearly four fold, and we have to find ways by which the views of the nations represented in the General Assembly are listened to and respected. There also has to be a better balance between the political and the developmental agenda of the UN and between the General Assembly' and the Security Council.

In the peace and security architecture of the UN, the composition of the Security Council has remained largely static over the decades. Its composition no longer reflects the true character or the current realities of the world today. Developing countries are hardly represented and yet

they are often the object of the Council's actions. The Council, (particularly the permanent members), is largely dominated by the industrialized countries. An expansion of the Council is highly desirable in today's conditions and I suggest should occupy a high priority in our concerns. Reform and expansion of the Security Council must bean integral part of a common package and developing countries must find a place in the Council's decision-making structures.

Mr. Chairman,

You have a wide-ranging and substantive agenda to cover in the next two days. Time is short and the tasks are challenging. May I wish you all a very constructive and useful dialogue on these important issues of our times. And a very pleasant, if brief, stay in India.

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023. Question in Lok Sabha: "Change in Indian Foreign Policy".

New Delhi, July 7, 2004.

Will the Minister of External Affairs be pleased to state: -

(a) whether; the Common Minimum Programme (CMP) has provided the framework for an independent foreign policy; and

(b) if so, the details of the proposed changes in the foreign policy?

Minister of State in the Ministry of External Affairs (Shri E. Ahmed)

(a) Yes

(b) A statement is placed on the table of the House.

Statement

1. Government is determined to maintain India's independent foreign policy, built on national consensus and based on supreme national interests. To this end, India is expanding its network of international relationships - preserving solidarity with traditional allies and strengthening new

partnerships. India is also working with like-minded nations for an equitable, multi-polar world order, which takes into account the legitimate aspirations of developing countries.

2. In consonance with our desire to live in a neighbourhood of peace and prosperity, relations with India's neighbours are being accorded high priority as has been evidenced in the recent discussions with Pakistan, the visit of the Foreign Ministers of Bangladesh and Sri Lanka to India, and the External Affairs Minister's visit to Nepal. India remains fully committed to the peace process with Pakistan. This commitment has been reaffirmed and infused with greater substance following the External Affairs Minister's recent meetings with his Pakistani counterpart in Qingdao and Jakarta, as also during the Foreign Secretary level talks held in June, wherein it was reiterated that the dialogue between the two countries should lead to peaceful resolution of all bilateral issues including Jammu & Kashmir to the satisfaction of both sides in an atmosphere free of terrorism and violence.

3. With Sri Lanka, Government has stressed that it supports a process of seeking a negotiated settlement acceptable to all sections of Sri Lankan society within the framework of a united Sri Lanka and consistent with democracy, pluralism and respect for individual rights. It believes that an enduring solution has to emerge purely through internal process. India maintains an abiding interest in the security of Sri Lanka and remains committed to its territorial integrity and sovereignty. India would welcome a resolution of the current impasse in the peace process and an early resumption of negations. Any interim arrangement should be an integral part of the final settlement and should be within the framework of the unity and territorial integrity of Sri Lanka.

4. The choice of Nepal as External Affairs Minister's first destination abroad reflects the importance India accords to our closest neighbour. India's policy to support Nepal in strengthening its security capabilities and in developing its infrastructure including in the field of water resources. India has also agreed to share her experience in holding elections with Nepal's Election Commission and the Election Commissioner of Nepal has been invited to visit India soon.

5. The Government attaches prime importance to its relations with Afghanistan with whom we share deep historical and cultural ties. The Afghan National Security Advisor, Zalmay Rasool's recent visit to India is a

reflection of the importance that the Government of Afghanistan attaches to its relations with India.

6. The positive developments in India's relations with China have encouraged both countries to engage in the process of further diversification and expansion of these relations. Both countries have reiterated their commitment to developing their long term constructive and cooperative partnership on the basis of mutual sensitivity to each other's concerns, equality and the principles of Panchsheel. In the External Affairs Minister's meeting with Chinese Foreign Minister Li Zhaoxing in Qingdao in June 2004, the Chinese side conveyed its desire to work with India to develop deeper relations. The process of resolution of the boundary question is also to be seen from the political perspective of India-China bilateral relations.

7. The Government is determined to work closely with the US Administration to consolidate partnership in all areas. Both countries have clear commonalities in shaping a democratic and pluralistic world order, which is free of terrorism. In the External Affairs Minister's two meetings with US Secretary of State Colin Powell over the last one month in Washington and Jakarta, discussions on bilateral, regional and global issues have been held in an open, friendly and frank manner.

8. With Russia, the further diversification of India-Russia relations, particularly in defence, high technology, space and nuclear energy, while intensifying economic cooperation is being pursued. The recent meetings of the External Affairs Ministers and the National Security Advisor with the Russian leadership have reaffirmed the desire of both the sides to consolidate and further deepen the bilateral relations in political, strategic, economic and defence fields.

9. The Government welcomes the unanimous UN Security Council Resolution No. 1546 on Iraq. The role of the UN has been unanimously accepted and it is India's expectation that the UN will play a central role in the developing situation in Iraq. The Government have seen the endorsement of the Interim Government of Iraq as the first step towards the transparent transfer of full sovereignty to the people of Iraq and have stated that the priority should be to ensure an early return to conditions of security and normalcy for all the people of Iraq.

10. Our traditionally strong relations with the countries of Southeast and West Asia, based on cultural affinities, economic interaction and a vibrant Indian expatriate community are being further strengthened.

11. From June 13-16, the Minister of State for External Affairs, Shri E. Ahamed visited Saudi Arabia. This was the first high level contact with Saudi Arabia after the formation of the new Government in India. An Agreement on issues pertaining to Indian Haj pilgrims was also concluded with the Saudi Haj Minister during this visit.

12. India's commitment to further strengthening relations with ASEAN countries has also been underscored during the External Affairs Minister's recent visit to Jakarta for the 11th ASEAN Regional Forum (ARF) meeting. During this visit, the External Affairs Minister also held bilateral consultations with his counterparts from New Zealand, Canada, Russia, Mongolia, Vietnam, the Republic of Korea, Indonesia, Myanmar, Pakistan, China and Lao PDR. An MOU on combating international terrorism with Indonesia was also signed by External Affairs Minister with his Indonesian counterpart during this visit.

13. The Government continues to fully support the legitimate aspirations of the Palestinian people. The relationship with Israel, which is being developed on the basis of mutually beneficial cooperation in no way dilutes India's principled support for the legitimate aspirations of the Palestinian people.

14. It is also India's vision that SAARC should be an active body. The present Government is committed to carry forward the process of active engagement with all members of the SAARC in all areas of cooperation.

15. Government have also stressed that the Non Aligned Movement needs to change. The international agenda of the 21st Century is different from that of the era in which the Movement was founded. It has also stressed the need for a reform of the UN Security Council in order to make it more democratic so that it reflects more realistically the present world order.

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024. Address by President Dr. A.P.J. Abdul Kalam on the occasion of conferring the Jawaharlal Nehru Award for International Understanding 2003 to Prime Minister of Singapore Mr. Goh Chok Tong.

New Delhi, July 9, 2004.

Evolution of Enlightened Citizens

I am indeed delighted to confer the Jawaharlal Nehru Award for International Understanding to His Excellency Mr. Goh Chok Tong, Prime Minister of Singapore. We honour Prime Minister of Singapore Mr. Goh Chok Tong who, with his leadership and vision, has come to occupy a leading place amongst the Statesmen of Asia. At the same time, we remember and pay our respects to Pandit Jawaharlal Nehru, the first Prime Minister of free India, who with his leadership and vision ensured that India occupies its pride of place among the comity of nations.

Voice of Freedom Movement

Pandit Jawaharlal Nehru, indeed was the leader of free India, a source of inspiration and the voice of freedom movements across Asia and other parts of the world. He belonged to the category of leaders who have a world vision of humanity at large.

Pandit Jawaharlal Nehru had a great hope and a dream for the people of Asia. He was one of Asia's most notable and articulate political leaders of the generation which saw the development of anti-colonial nationalist movement, the destruction of colonial empire in Asia and Africa and the making of new nations' state in their place. He is one of those rare leaders who in 1930's itself envisaged the role of science in shaping human destiny. He boldly said the future belongs to those who make friends with science. His friendship with science was for the upliftment of poor, impoverished and oppressed people.

Vision of Nehru

The vision of Pandit Jawaharlal Nehru has been guiding us since the early years of independence. However, freedom, for Pandit Jawaharlal Nehru had a social and ethical context and a moral purpose as well. It was not an end in itself but was necessary to creating a climate in which human talent

and creativity could be forged for the greater benefit of all humankind including the underprivileged. For colonial nations, which had been long, impoverished by years of bondage and servitude, freedom acquired a special meaning in the form of a condition in which a free society could be rebuilt. Pandit Jawaharlal Nehru's contribution to the rebuilding of our nation has been acclaimed by all. His principles and policies moulded various aspects of our nation building and he has rightly been called the architect of modern India.

Vision with Dynamism

Mr. Goh Chok Tong, Prime Minister of Singapore, we feel that you have been an outstanding example of a vision with dynamism, which go towards the making of a resurgent Asia. You have guided the destiny of Singapore and its people for a decade and a half. Under your illustrious leadership Singapore has scripted a new way of doing things designed to creating an enterprising and an innovative society. The results are there for all to see in the form of the Singapore dream. Within the short span of a generation, Singapore has emerged as a developed nation - a vision articulated by the founder of independent Singapore Prime Minister Lee Kuan Yew. This is particularly important when it was thought in 1965 that independent Singapore was not viable and your predecessor had an unenviable task to make it work and you created a nation out of people of origins mostly from China, India, Malaysia and several other parts of Asia. Our greetings to you and the people of Singapore.

Your vision, however, has not been limited to Singapore alone. You have worked tirelessly to promote understanding and cooperation not only within Asia but also between the different regions and continents of the world. If today, the world recognizes that the 21st century would be the century of Asia, then, it is to a large extent the result of efforts of visionary leaders like you. I was quite happy about the special mention of India in your Keynote Address at the East Asia Economic Summit of the World Economic Forum last year. I would like to quote from your Address:-

"In addition, as India opens up, it will increasingly look Eat. India's long-term vision is an Asian Economic Community, comprising the ASEAN+3 countries, and India, We should welcome this and embrance India. There is no reason to handicap ourselves by leaving out a new and highly promising growth centre."

We have taken note of your visionary statement and India would like to share and further strengthen the ancient bonds of friendship and cooperation, trade and commerce, culture, language and spiritual traditions with Singapore and also with the other ASEAN members. How do we promote regional prosperity and peace? How do we create the AU (Asian Union) just like the EU (European Union). If a war torn Europe for centuries can come together, why can't we, who share similar civilizational strength. Can it be done through the evolution of enlightened citizens? We have in front of us Jawaharlal Nehru's democratic modern India and Mr. Goh Chok Tong's dynamic vision for Asia.

Evolution of Enlightened Citizens

There are many challenges in our planet earth of six billion people. Reforms are needed in the United Nations to reduce the tensions and tensions transforming into war between nations. Many nations are experiencing the problems of injected terrorism. The young people of the planet are dreaming to live in the land of opportunities and happiness. We have also seen that the economic prosperity of few nations alone has not brought lasting peace to the world. In such a situation, it is essential to evolve the principle of enlightened citizenship based on Asian ethos. The enlightened citizenship has three components: education with value system, religion transforming into spiritual force and bringing economic prosperity through development. This mission can be put into action with the Asian nations coming together economically and spiritually. How it can be done? All the children in the age group of 5-17 years will be learning in the schools and home, the education with value system, with the teacher in the centre stage. Every religion has got two components: religious dogmas and spiritual preachings. The spiritual focus influenced by compassion and love must be nurtured as an integrated mission. In many nations, in spite of their core competence, material wealth, biodiversity and human resource, still certain percentage of people is below poverty line. By using the core competence, with competitiveness as a base and the mission of transforming the developing nation into a developed country, Asian nations can work together for a peaceful, prosperous and safe region, which can also spread elsewhere. I am putting forth these thoughts of enlightened citizenship on this occasion, where two Asian nations with vision are coming together.

Conclusion

India values your personal involvement and contribution in laying a

strong foundation for a dynamic and forward looking relationship between our two countries and also between the other countries of Asia. We are, therefore, indeed privileged to honour you today as a true friend of India, an outstanding leader of Singapore, a symbol of a resurgent Asia and a World Statesman. As we confer the Jawaharlal Nehru Award for International Understanding for the year 2003 upon you, Mr. Prime Minister, let me be the first one to extend my warmest congratulations and good wishes to you and through you to the people of Singapore.

May God Bless You.

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025. Address by External Affairs Minister K. Natwar Singh at the Special Session of the National Seminar on "Historical Perspective of SAARC and prospects for South Asian Economic Union" at India International Centre.

New Delhi, July 23, 2004.

Mr. Saifuddin Soz MP, distinguished invitees, ladies and gentlemen:

At the outset, I wish to thank Mr. Saifuddin Soz and the Foundation of Peace and Sustainable Development for the opportunity to speak to this gathering on the "Historical Perspective of SAARC and prospects of South Asian Economic Union". — covering the past and future of SAARC.

I have had the good fortune to be associated with SAARC from its very inception in 1985. Long before SAARC was formed, the process of regionalism in Asia began with the holding by Pandit Nehru of the First Asian Relations Conference in Delhi in March 1947, five months before India's Independence. That conference spoke of the spirit of Asian solidarity against colonialism and its legacy of poverty, disease and economic backwardness.

When SAARC came into being in 1985, it was the outcome, some forty years later, of that aspiration. Now, SAARC appears to have gained some maturity and seems to be in the process of overcoming decades of

mistrust. The logic of shared economic benefit and security, we hope, will now triumph over the divisiveness of political rivalry.

I have just returned from Islamabad, where the SAARC Council of Ministers comprising Foreign Ministers from the seven Member Countries of SAARC discussed issues ranging from Poverty Alleviation, establishment of a free trade area in SAARC (SAFTA), cooperation in matters relating to suppression of terrorism, environment, and communications. We had also discussed the SAARC Poverty Alleviation Fund, towards which India has taken the lead and agreed to contribute US$ 100 million to be deployed for projects outside India.

Many pessimists would dismiss SAARC as a talking shop whose priorities are all mixed up. Detractors will point to the vast differences in geographical size, economic indicators, and diversity of economic and political systems as hurdles to integration. They would not be entirely wrong. SAARC will be 20 years old next year. It should be in the full maturity of its youth, ready to take on new challenges and directions. Yet, in fact it has yet to consolidate as an organization. At the recent SAARC meeting in Islamabad, we made a strong statement that it was time that SAARC departs from its endless round of meetings, seminars, and conferences, and moves to collaborative projects that brings tangible results to our peoples.

We can take heart, to some extent, in the fact that other organizations like ASEAN have also taken considerable time from start-up to maturity. The EU took nearly 46 years to go from a Coal and Steel Community to a comity of nations with common currency, customs and visa-free access. We must also remember the particular political, economic and other related problems which have best this region and which have delayed such visions of economic cooperation.

I am happy to note that now, after witnessing the pace of regional integration in different parts of the world, SAARC has given itself an agenda with some substance and content. Our first priority is developing a South Asian identity based on the full exploitation of the potential of our people. The 1.5 billion people of the SAARC region have waited too long for their governments to fulfill their pledges of poverty alleviation. We felt that if SAARC is to break out of its inertia, and truly fulfill its mandate of bettering the quality of life of our people, we would have to take bold new initiatives. I have already referred to our offer of US$ 100 million for the SAARC Poverty

Alleviation Fund. Naturally, we would need to look at means to replenish this Fund so that poverty alleviation schemes remain at the forefront of SAARC activities in the coming decade, which is in line with our government's National Common Minimum Programme.

We sought the initiation of a SAARC High Economic Council formed of the Finance and Commerce Ministers which could discuss and set priorities for projects. This Council could also promote collaborative ideas and initiatives in economic, trade, investment, financial and monetary areas. Linked to this proposal is a SAARC Infrastructure Fund, also proposed by us, which could have a corpus of about US$ 10 billion, to fund major infrastructure projects in the region, especially those involving two or more member nations. Such a Fund with access to international financial markets, will help SAARC countries embark on high priority energy, communications, and transportation projects which can link our economies together.

We would like to see tangible benefits from our developmental activities in SAARC. As part of the SAARC Awareness Year for TB and HIV/AIDS, we have offered to host a meeting this year of experts and community workers, train paramedics from the SAARC countries, and also offered to send medical vans and mobile awareness units to each of the SAARC countries.

We wish to work towards the goals of the SAARC Social Charter and thus shape a more just and equitable society, that guarantees a level of dignity and opportunity to our people. It is our responsibility to ensure that the SAARC processes translate our declarations into tangible results that benefit the poorest amongst us. We have suggested setting up National Committees in SAARC member countries to monitor and devise programmes to implement the goals of the SAARC Social Charter, as well as consult with each other to promote collaborative Poverty Alleviation Projects, including under the SAARC Poverty Alleviation Fund.

In the shaping of this identity, our Parliamentarians can play a useful role by bringing into SAARC processes, the views of the people they represent. At the recent meeting, we sought to set up a South Asian Parliamentary Forum to deliberate on issues pertaining to regional cooperation endeavours under SAARC, and offered to host the next meeting of the Forum.

We have offered to provide training programmes in the field of statistics. We have also offered to host activities this year and early next year for enhancing regional cooperation for sports and youth.

At the recent meeting, all SAARC member countries emphasized the need to put an end to the scourge of terrorism and welcomed the offer of Bangladesh to host a Ministerial Meeting on cooperation among SAARC countries on combating terrorism and transnational crimes.

Some of the countries in this region are already enjoying benefits of enhanced trade and commercial contacts flowing from bilateral Free Trade Agreements. The success of these agreements have prompted us to explore new regional dimensions of economic cooperation beginning with a liberalization of trade in goods and proceeding to trade in services, common investment and currency areas and integrated capital markets all of which would lead to a paradigm shift in the nature economic interaction in this region.

In 1998, a SAARC Eminent Persons' Group charted out a roadmap to be followed. It is our belief that SAFTA will be the first successful step in this path of economic integration. What we in SAARC decide today will determine how we achieve our objective of moving towards a South Asian Customs Union by 2015 and a South Asian Economic Union by 2020. What the EU today enjoys in terms of economic and social connectivity need not remain a pipe dream in South Asia. Given the will and the commitment, we can together move ahead to newer pastures, towards a better tomorrow for all of us.

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026. Press interview of Prime Minister Dr. Manmohan Singh to Thai Newspapers - *The Nation* (English language) and *Khao Sod* (Thai language).

Bangkok, July 30, 2004.

Question: How do you see evolution of India's bilateral relations with Thailand, now that the Free Trade Agreement (FTA) is taking off? Will FTA be pivotal in the liberalization/reform of the Indian economy? What specific areas would you like to see the FTA with Thailand head towards?

Answer: It gives me great pleasure that I am visiting Thailand on my first overseas visit as Prime Minister. India and Thailand share age-old bonds of cultural affinity, commercial interest and common perception on various issues. Our ties continue to expand, covering the full range of economic, technical, social and cultural fields that are of importance to our respective peoples. The shared will and desire, at the highest levels in both countries, have given substantial content and new dimensions to our multifaceted ties. Our exchanges in recent years have helped to lay a strong foundation for building up a vibrant partnership for the future. We remain committed to deepen and strengthen this vibrant partnership for the mutual benefit of our two peoples and countries.

The signing of the Framework Free Trade Agreement with Thailand was a landmark in the development of our relations. Our bilateral trade recently crossed the one billion dollar mark. We are hopeful that the FTA will further deepen our economic interactions to mutual benefit.

Question: Do you think the dual policy of economic reform and economic empowerment of the poor can be successful and a lesson to other countries? Can you outline how you are going to untangle Indian bureaucracy?

Answer: Economic empowerment is essential for the success of economic reforms. We cannot have meaningful reforms while neglecting those who are on the margins of economic growth.

This is one of the guiding principles in our Government's Common Minimum Programme. We are allocating more resources and improving the delivery of services to the poor.

The Indian bureaucracy is also going through a 'change of mindset' in the way Indian businessmen, youth and consumers have undergone. We have been fairly successful in removing a large number of bureaucratic procedures which were obstacles to reforms and liberalization. India is now one of the fastest growing economies in Asia and the world. We need a partnership between government and the people, between state and private sector and between opportunity and entrepreneurship.

Question: How do you see the BIMSTEC framework evolving in the next ten years? How can India help to bind South Asian nations to work with the South East Asia member nations of BIMSTEC?

Answer: I am happy to be participating in the first BIMST-EC Summit which represents the synergy between Thailand's Look West policy with India's Look East policy. Five of its members—Bangladesh, Bhutan, India, Nepal and Sri Lanka are from South Asia and two—Myanmar and Thailand are from South-East Asia. BIMST-EC therefore can be regarded as an important bridge between the South Asian Association for Regional Cooperation (SAARC) and the ASEAN.

With the process of globalization moving apace, BIMST-EC countries realize the imperative of regional cooperation. We believe BIMST-EC can evolve into a dynamic, exemplary, economic grouping with focus on implementable projects.

The Framework Agreement for a BIMST-EC FTA in goods, investment, services and promoting general economic cooperation holds considerable promise. The rich regional mineral and human resources provide good potential for BIMST-EC countries to share each other's strength and work for economic development of their respective countries. The grouping can provide intra-regional transportation and communication links and make the region self-sufficient in food,

water and energy security. The regional tourism potential is also immense and joint tourism products can provide new attractions. India hopes to implement a joint marketing strategy interlinking and promoting Buddhist destinations in all BIMST-EC countries. Visit BIMST-EC year 2004 (now extended to 2005 to accommodate new members Nepal and Bhutan) is an effort in this direction.

Question: India is one of the leaders in Group 22 in WTO. What is the group's strategy now over the new trade round talks? Will you discuss some specifics with Prime Minister Thaksin Shinawatra during your visit to Thailand?

Answer: The Group, now called G-20, was established in August 2003 with the objective of coordinating the position of developing countries in the ongoing negotiations in WTO on Agriculture. The G-20 has been working to remove distortions in the international trade in Agriculture caused by massive subsidies in the developed world, and to ensure a fair deal for developing countries in these negotiations through effective special and differential treatment.

The Group has also been a major force in achieving unity of purpose amongst developing countries and works closely with other developing country groups such as Africa Group and LDC Group. For globalization to be sustainable, it should be more inclusive and equitable.

Question: In what way can India help to advance Information and Communication Technology in Asia?

Answer: India has offered cooperation to Asian countries to share its expertise in IT. We provide scholarships for students from some Asian countries including Thailand for training in India in the IT sector. We are also discussing possibilities of establishment of IT training institutes for the Asian countries with technical assistance from India. On the commercial level Indian companies have established offices in many Asian countries and are undertaking software projects. Indian companies also provide training to their employees in other Asian countries

contributing to capacity building in these countries.

Question: In your view, what are the most serious threats to the stability and prosperity of Asia?

Answer: The most serious threat and challenge to Asia in terms of stability and prosperity are posed by poverty and disparity among and within nations. Nearly two thirds of the world's poor live in Asia. There is also the need to stem the overall rate of population growth and manage demographic changes, particularly phenomena such as migration and refugee flows. Equally important are issues concerning energy, food and environmental security apart from management of water resources and disaster management.

Terrorism has become a global phenomenon and there is virtually no corner of Asia unaffected by this scourge.

On the other hand, Asia is today the most dynamic, rapidly changing and modernizing region in the world. Asian countries have already begun to apply themselves to addressing the whole array of security issues of concern to the continent ranging from arms control, terrorism, confidence building mechanisms, security of sea lanes, greater economic integration, security of energy supplies, greater connectivity.

Question: Is East-Asian community possible without India? Is their any possibility of establishing a broader cooperative framework that will incorporate all Asian countries?

Answer: In the present era of globalization, there is inter-dependence between all regions and countries and, therefore, it would be difficult to state whether the East Asian community would be possible without India or not. ASEAN has ten Ministerial-level Dialogue Partners and four Summit -level Dialogue Partners. Besides India, China, Japan and South Korea are the other Summit-level Dialogue Partners. This by itself demonstrates the place of India in the ASEAN scheme of things. During the 2nd ASEAN-India Summit in Bali last year, India had mooted the idea of an Asian community. Obviously, the ASEAN 10 + 4

(India, China, Japan and Republic of Korea) could be the first building block for this. We are supportive of a building block approach to establish a broader cooperative framework for an Asian community in the long term. There is always a possibility of having a broader cooperative framework incorporating all Asia and this is reflected in the spirit behind Asian Cooperation Dialogue, initiated by Thailand.

Question: How do you see China, as competitive partnership or adversarial partnership?

Answer: India and China are two of the largest developing countries in the world. We are also amongst the biggest and the fastest growing economies. Both are engaged in the critical task of economic development and improving the living standard of their people. We have both achieved success and have much to learn from each other and can complement each other's efforts. Friendship and cooperation between the two is not only in their mutual interest, but is also a positive factor for the regional and global peace and stability.

India and China can grow and become prosperous together rather than in conflict. There is ample space for both India and China to work together in the years ahead.

Our government is committed to the process of strengthening and expanding our relations with China, and to promoting our relations in all areas and at all levels while simultaneously addressing issues in a fair, reasonable and mutually acceptable manner.

Question: Do you think Asia is under the scourge of nuclear threats? Will India accede to the no-nuke accord in South East Asia (SEANWFZ)?

Answer: Nuclear weapons and their delivery systems have a global reach and we do not believe that the threat posed by them can be localized to any particular region.

India has always stood for general and complete disarmament and attaches the highest priority to nuclear disarmament. We

welcome the efforts of countries of South East Asia to create a zone free of nuclear weapons. As a country possessing nuclear weapons, we respect the status of this Nuclear Weapon Free Zone in South East Asia.

Question: How do you perceive the role of India post September 11?

Answer: The tragic attacks of September 11, 2001 dramatically focused global attention on the grave challenge posed to international peace and security by terrorism. The attacks also demonstrated that distance offers no insulation against terrorism. As a long-standing victim of terrorism, India has always supported a comprehensive and a sustained international campaign against terrorism, as compartmentalised approaches cannot effectively address this threat. We have taken several initiatives in this regard at national, regional and global levels and remain committed to support and strengthen the global cooperative efforts against this common threat.

Question: What is your Government's policy on the Asian Cooperation Dialogue? What has been your involvement with the Asia Bonds (Size of Investment), and how do you see its potential in keeping savings and investment in Asia (rather than in the West)?

Answer: We have welcomed the Asian Cooperation Dialogue (ACD) as an appropriate informal forum for exchange of views among policy makers in Asia on various economic issues. A major ACD proposal has been the concept of an Asian Bond Fund. India has supported the idea of Asia using and managing its reserves of a trillion dollars.

At the 2nd ACD Ministerial Meeting at Chiang Mai in 2003, we had suggested that if all ACD countries earmarked 1% reserves for a fund of US$10 billion, and agreed to manage it themselves, India would contribute US$1 billion. Discussions are still continuing.

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027. Press conference of Prime Minister Dr. Manmohan Singh on the conclusion of the BIMSTEC Summit.

Bangkok, July 31, 2004.

The Prime Minister, Dr. Manmohan Singh, addressed a Press Conference at the conclusion of the BIMSTEC Summit in Bangkok today. In his opening statement, the Prime Minister said:

"My two days in Bangkok have been very useful and productive. We have had the first BIMSTEC Summit. I also met for bilateral talks the President of Sri Lanka and Prime Ministers of Bhutan, Nepal and Bangladesh, apart from my host, the Prime Minister of Thailand.

Results of BIMSTEC Summit are very encouraging. The Joint Declaration[1] issued after our meeting, sets out the vision for the future. Discussions were held in very cordial, friendly, informal and harmonious atmosphere. There was a meeting of minds. All leaders were agreed that collectively we could do more for the development and prosperity of our people by synergising our respective strengths and resources. In deciding projects and areas of cooperation, we agreed that focus should be on ways and means to improve the lives of ordinary people in the region, which is one of the poorest in the world. Focus has to be on quick, practical and deliverable programmes/results.

You already have copy of my statement[2] made at the BIMSTEC inaugural ceremony this morning. Later during the Retreat, I made a number of proposals that we would organize in India. These include:

1. Hosting a BIMSTEC Ministerial meeting on Energy Cooperation in 2005.

2. Hosting a round-table and Workshop of Tourism Ministers and Travel Trade & Industry representatives in 2005.

3. Setting up a BIMSTEC Center on Weather and Climate Research and Information in New Delhi

4. Sharing Remote Sensing Data on Agriculture.

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1. Document No. 236
2. Document No. 235

5. Offered 150 ITEC scholarships for BIMSTEC countries next year in addition to the existing 150 scholarships.

6. Offered 30 scholarships in traditional systems of medicine.

There was detailed discussion on poverty alleviation programmes being conducted by different counties. There was complete understanding on need to benefit from each other's experiences. I explained at some length the need for multifaceted approach to rapidly expand and increase the growth rate of our agricultural and rural economies, which should be labour intensive and environment friendly. Empowerment of people and economic liberalization programmes have to move hand-in-hand. Primary health and education are integral to poverty alleviation programmes. There is need for employment assurances to landless labourers. Needs of Small and marginal farmers are different. They are to be provided marketing support and credit facilities. With a view to work out specific poverty alleviation programmes for specific needs of each country, Bangladesh offered to host a Ministerial meeting on poverty alleviation and Women's empowerment.

There was also keen interest in alternative forms of medicine and traditional knowledge. Countries also recognized need for access to affordable drugs and appreciated India's achievements in the field of manufacturing generic drugs. Thailand has agreed to host a meeting on this subject.

Likewise, Sri Lanka will be hosting Meeting on Technology, Biotechnology and Intellectual Property Rights for traditional knowledge.

Bhutan has agreed to host meeting on Cultural Cooperation.

There was unanimity on joining hands in combating international terrorism. Countries pledged not to allow use of their territory by terrorist groups launching attacks on friendly governments. There was willingness to share information and capacity building by sharing training programmes in intelligence capacity building. The setting up of a BIMSTEC Joint Working Group on counter-terrorism is an important step. We agreed to hold the first meeting of this group in New Delhi later this year.

At the request of all the participants, India also agreed to host the next BIMSTEC Summit in 2006.

Between now and then, a lot of work is needed at senior officials and Ministerial levels.

By our meeting today, we have shown that we have the necessary political will to give a dynamic push to regional cooperation around the Bay of Bengal. Incidentally, we have decided that BIMSTEC will no longer signify the first initials of the names of the earlier five member countries, but will stand for Bay of Bengal Initiative for Multi-Sector Technical and Economic Cooperation.

I shall be happy to respond to your questions, if any".

Question : You talked about setting up of a JWG in BIMSTEC to counter terrorism. Could you give us some more details about the JWG?

Prime Minister of India (Dr. Manmohan Singh): As you know, security and the state of law and order is a basic prerequisite for promoting sustained social and economic development. Development does not take place in a vacuum. We need basic conditions which will then help to move forward the process of social and economic change. In addition to the six areas that were identified earlier, this Summit recognizes the need to work out concerted strategies and programmes to deal with the menace of international terrorism which constitutes a threat to civilized way of living all over the world.

Question : …(inaudible)… on the insurgency and all these things, we do not know …(inaudible)…

Prime Minister : We discussed all relevant aspects of our relations and reviewed the state of our bilateral relations. As I said, as far as the Prime Minister of Nepal is concerned, I will be meeting him after this meeting.

Question : …(inaudible)… regarding Pakistan's possible membership of BIMSTEC

Prime Minister : This is an initiative of countries around the Bay of Bengal. We are not working to isolate any particular country. Pakistan does not happen to be a country which can be geographically, or otherwise, linked with the Bay of Bengal. That is as simple as that.

Question: …(inaudible)…

Prime Minister : The North-Eastern region of India faces considerable handicaps because of the high cost of transport. The BIMSTEC initiative opens up the possibilities of making more effective arrangements for transportation of goods and services to other countries of South-East Asia through the land routes, making use of roads, railways and ports, that would certainly help to promote the development of the North-Eastern region.

Question : …(inaudible)… regarding the state of trilateral highway project

Prime Minister : We have been discussing the trilateral highway project between India, Myanmar and Thailand. The additional suggestion is that along with this highway, we should also lay out optic fibre lines which would help to promote faster movement of telecommunication data as it would cost about 10 million dollars.

Question: Are you against FTAs …(inaudible)

Prime Minister : We are paying attention to move towards FTA according to the time-table which has already been laid down before the Summit meeting. We will work to deliver on that time-table.

Question: …(inaudible)…

Prime Minister : I am afraid I have been misunderstood on that particular point. What I did say when I met you, Ladies and Gentlemen, on my journey to Bangkok was that the previous Government had signed a large number of FTAs. Many of them were framework agreements, no more than that. Whatever is the road map that ought to be laid out, all those steps have to be taken. We are fully in support of the process of strengthening our regional links with South-East Asia, with other countries of this region. So, I should not be misunderstood in the sense that I am saying that we will delay the process. Of course, we will look at the options that are available and wherever possible, we will live by the timetables that have been prescribed and we will complete that process of review within the agreed timetable. That is my hope.

Question : The People's War Group has got links with Myanmar and other BIMSTEC countries. Was there any discussion on this issue?

Prime Minister : In a general way we have been discussing the security concerns that we have with our partner countries. I would not like to say

more than that on this subject.

Question : …(inaudible)…

Prime Minister : I think this was a meeting which brought together seven countries with whom we have very close and intimate relations. This was the first meeting of the leaders of these countries at the level of the Summit. This is one manifestation of our keen desire to promote regional cooperation in this area, to work with our neighbours, to strengthen our traditional bonds, to impart a new element of vigour, vitality and dynamism to our relations with our neighbouring countries.

Question : Can you give us more details about the Indian hostages[1] in Iraq?

Prime Minister : Every effort is being made that is humanly possible to deal with this very serious problem. The latest information that I have is that one of our senior officials from the Foreign Office, our Ambassador in Oman is on way to Baghdad. I think, he will reach Jordan later this evening. We are in touch with all those people who can help resolve this grave crisis.

Question : Is the Government of India in direct touch with the kidnappers?

Prime Minister : I said that there are intermediaries and we are using all possible routes to reach out to those who are holding these people as hostages that these three Indians are innocent victims, that they are in no way concerned with any unlawful activities or military activities and that, therefore, they should be released forthwith. That is our utmost concern.

Question : When you met the Prime Minister of Bangladesh, did you raise the issue of infiltration and also the use of its territory for militants activities?

Prime Minister : All aspects of security were touched upon in my meetings with our neighbours. Beyond that, I would not like to comment.

Question : So far as Indians stranded in Iraq who cannot come out, are we talking to the coalition authorities or to other authorities for their evacuation?

Prime Minister : Mani, would you like to comment on that?

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1. Three Indian truck drivers working for a Kuwaiti Company who were held hostage in Iraq by an Iraqi group.

National Security Advisor (Mr. J. N. Dixit): The Government, as is logical, is aware of the possibility of evacuation, if a situation arises requiring evacuation. Preparatory work is on the anvil. But, there is no need to generate panic by suddenly talking about evacuating five thousand Indians who live in Iraq.

Prime Minister : I would urge you not to highlight this aspect. It can have side effects which may not be entirely desirable. I urge you not to.

Question : Mr. Prime Minister, how do you see these first two months of yours running a coalition Government? Do you find yourself spending too much time on crisis management?

Prime Minister : Crisis management is part of my job and I am learning and learning very fast.

* * * *

Question : …(inaudible)…

Prime Minister : It was pointed out to me. I promised that I will take back that concern with me. I have taken note of that. But I think we will have to discuss in our Cabinet to evolve a broad consensus on how we deal with this our approach to issues of open sky policies. There was an offer made by Prime Minister Vajpayee at the Summit in Bali where we announced opening up of our four metropolitan cities and also promising to give access to 18 important centres. But, the feeling among the countries, including Thailand and Singapore also, is that the terms and conditions on which we are willing to allow these additional flights in accordance with the existing commercial arrangements, they would like us to improve upon these terms. I said, I take note of that concern and I will go back and discuss with our colleagues.

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028. Excerpts from the Intervention by Minister of State for External Affairs Rao Inderjit Singh during the debate "Challenges to Multilateralism in the 21st Century" at the 14th NAM Ministerial Meeting.[1]

Durban, August 19, 2004.

Madam Chairperson,

The theme of this interactive session is most timely and appropriate: the challenges before Multilateralism is a critical issue that we as NAM members should collectively reflect on. Let me briefly put across India's perspective.

The Kuala Lumpur declaration, agreed upon after much reflection states that "in realizing our goal of revitalizing NAM, we must exert every effort towards the promotion of a multipolar world through the strengthening of the UN". We envision a world in which diverse centres of power, prestige and influence are acknowledged. NAM itself can be seen as a pole in a multipolar world with our collective strength and common worldview on a number of issues. If multipolarity is an objective, Multilateralism is an instrument in that direction.

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1. On August 20, the Spokesperson of the MEA briefing the journalists said:

"Minister of State also attended the NAM Ministerial meeting on Palestine which was held on August 18. In this he reiterated India's full support to the legitimate aspirations of the Palestinian people which has been a consistent tenet of India's foreign policy. He had called on the South African President Mr. Thabo Mbeki. This meeting took place at the request of the South African President after delivering his 14th NAM ministerial inaugural address. This meeting, a departure from normal protocol, underlines the closeness of relations between India and South Africa. It is understood that President Mbeki had virtually no other bilateral meetings with visiting Ministers except a courtesy call by the representative of the UN Secretary General. During the course of this meeting, the South African President spoke of his efforts at conflict resolution in Africa especially in Burundi and expressed satisfaction at the cooperation between India, South Africa and Brazil in what is known as the IBSA Forum. Rao Inderjit Singh also recalled President Mbeki's visit to India last year emphasizing that it had given impetus and substance to all aspects of the bilateral relationship as well as the visit of the Indian Vice-President to South Africa earlier this year, which was at the time of the inauguration of the establishment of the Phoenix settlement by Gandhiji in Durban.

In addition to this Shri Singh also had bilateral meetings with South African Foreign Minister Nkosazana Dlamini-Zuma. Foreign Minister of South Africa also expressed happiness with the state of bilateral relations and said that South Africa was looking forward to the visit of the President of India. (This visit took place in September' 04).

The UN system is at the centre of Multilateralism. The UN is the only universal forum which brings together all of us, rich or poor, from the North or South, with diverse political and social structures and even value systems. We have to reinforce the centrality, the validity and the utility of the UN system and not allow it to be bypassed or marginalized.

I have spoken about some principles of Multilateralism and I turn now to the challenges.

We must acknowledge that in the past few years, the very role and relevance of the UN system and the efficacy of collective action has come under critical questioning. The unilateralist impulse, the tendency to ignore the principles and practice of Multilateralism and the disregard for established principles of international law are a matter of concern. UNSG Kofi Annan spoke for all of us when he recognised that we had reached a 'fork in the road' as in 1945. He also did well in constituting a High Level Panel which is expected to come up with a report on the threats and challenges, the ability of collective action in meeting these threats and the institutional reforms necessary. The Movement should take careful stock of not only the report when it emerges, but of the underlying issues of transparency, representativeness and greater democratisation of the U.N. System. In our view, this should include an appropriate balance between the principal organs of the UN: the General Assembly, the ECOSOC and the Security Council: greater emphasis on the decisions of the General Assembly; an expansion of the Security Council in both categories to make it more representative of the contemporary realities and predictable and assured financing for the UN.

For the majority of the membership of the U.N., for us as members of NAM, some trends in recent years are a matter of concern, To name only a few:

- We see the Security Council expanding its role and activities and the General Assembly becoming less important. Yet, it is in the General Assembly that all members have a voice and a vote. We need to re-energies the GA and restore the balance between these organs.

- The role played by the UN system on the promotional aspects has come down but the regulatory dimension has been ascendant. This is so on a number of issues, be it human rights, or labour or technology. The UN

system's role is not seen as the helping countries but of judging them. There is at the same time an imbalance between the security agenda and the development agenda, with the later losing its importance.

- Even in the application of norms or standards, often there is selectivity or double standards, based on political expediency. Countries are judged not on the basis of objective criteria or through the collective wisdom of the UNGA, but by a selective few, based on expediency.

- The United Nations is a collectivity of nations and also a collectivity of the peoples. In recent years, there has been a stress on the welfare of the people and on the rights of the individuals, which we welcome. However an emphasis on human rights should not lead to arbitrary judgments based on selective criteria by a minority of influential members in the UN. If the priority is for the welfare of the collectivity of the people it is equally necessary that the views of the collectivity of nations in this regard are taken into account. We need a greater democratization of the UN system and a greater respect for the views of the General Assembly rather than accepting the agenda of a few, with regard to issues of such fundamental importance.

- The recent experience of our Movement in tabling a resolution on the centrality of the UN for adoption by the General Assembly is also instructive. It shows the suspicions, the divisions and difficulties in even reiterating unexceptionable principals of Multilateralism.

India's own belief in and commitment to, multilateralism is well known. One of the central tenets of our foreign policy has been a deep and abiding commitment to the principles and purposes of the UN Charter.

In conclusion, Madam Chair, India stands committed to strengthening multilateralism and emphasizing the centrality of the UN system. We are ready to work with others in Nam towards this end.

Thank you.

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029. Statement by Minister of State Rao Inderjeet Singh at the Second Ministerial meeting of the Afro-Asian Sub-Regional Organisation.

Durban, August 20, 2004.

Hon'ble Co-Chairpersons, The Foreign Ministers of South Africa and Indonesia, Hon'ble Ministers,

Heads and Representatives of Regional and Sub-Regional and International Organisations,

Other Distinguished Delegates,

Ladies and Gentlemen,

We keep saying that Africa and Asia are two continents. And, therefore, we think that we are different and divided. It is time we started saying that Asia and Africa are connected, by land, by ocean, and in spirit. It is time that we said that we are one people living on a giant Afro-Asian continent, people who have always felt the joy and the pain of the other, their hearts beating together.

How else can one explain the common hope, the enthusiasm and fervour that attended the Bandung Conference in 1955? Over the fifty years since then, much has happened. Our common struggle against colonialism, imperialism and racial oppression has succeeded. We extended support to each other in our hours of need, and this brought us success, a success crowned when the new South Africa was born, ten years ago.

We all know that only part of the battle has been won. Together, we must now resolve to win the other part: freedom from poverty, hunger, illiteracy and disease. At Bandung next year, we have to resolve to bring development, economic opportunity and social justice to all our people. New imperatives drive us to make Asia-Africa solidarity as relevant and significant today, as it was fifty years ago. The determination that stirred us then must energise us again.

The New Asian African Strategic Partnership must, therefore, be a partnership of our governments, of our parliaments, of our businesses, civil societies, and institutions. It is to be a partnership of our peoples - of our

thinkers, writers, artists, teachers and students and professionals. This is, truly, the time of our renaissance, a time when 'hope and history rhyme'.

The vision of reform-oriented African leaders has seen the emergence of the New Partnership for Africa's Development (NEPAD). Without forgetting the consequences of past colonialism in terms of resource impoverishment and denial of intrinsic development rights, NEPAD concentrates on the way ahead. It attempts to look at the problems of today and on the approaches required to solve them.

On the development front, India's approach is to promote self-reliance through South-South Cooperation. We have seen from our own experience of development that it is not always the most advanced technology that solves a problem. We need technologies that are appropriate to our people and to our specific situations.

We all know that a trained manpower holds the key to employment and wealth creation for our societies. In pursuance of this objective, we have so far extended about US$ 1 billion worth of technical assistance including training, deputation of experts and projects to African countries. Currently, we offer over 1000 training slots each year to African countries, under our technical and economic cooperation programmes. I am happy to say that there is roughly 95% utilization of these slots.

India has declared that it is ready to extend assistance of US$ 200 million for projects which fulfill the objectives of NEPAD. A line of credit of US$ 40 million has just been negotiated with Angola for a rail project from this NEPAD fund.

Apart from our offer to engage with NEPAD, India has also embarked on an initiative with eight West African countries, termed the 'Team Nine Initiative'. We are hopeful that this new association will prove an effective model for developmental cooperation, since it envisages a public-private sector partnership, and can take up both bilateral as well as sub-regional projects with the funding of $ 500 million that we have made available. We are also hoping to have a forum for regular interaction at the Summit level with the leaders of the African Union to better integrate, structure and guide this partnership between Africa and India.

We need to define a new multilateralism, one that is not hierarchical. We have to shape the multilateral order, not merely accept it as it is, then

swallow it and find that we cannot digest it. We do not have the luxury of time to wait for the world to change. We have to change it for ourselves.

All of us in Africa and Asia, some 4 billion people and over 80 countries, cannot say that we are being marginalized in the globalization process. Instead we ought to be defining it.

Le me conclude by making a practical suggestion. When we convene at Bandung 2005, we must emerge from that meeting with a concise set of principles and a very concrete plan of action. This must not only reflect the Ten Principles of Bandung 2005, but also reinforce it with ideas, initiatives and projects that will give meaning to the Declaration of Intent that we all have made.

We could set up a comprehensive database with two major sections: one that lists projects and programmes in Africa and Asia for which financial and other support is required. The other would be projects and programmes for which financial and other support is being offered or is available.

I also believe that the Asian Development Bank and the African Development Bank can evolve a mechanism to work together for the joint identification and funding of projects. Bandung 2005 should be a meeting that captures the imagination of our people and wins the unanimity of their support because it meaningfully touches their lives. Let us not end up with yet another lengthy document to weigh down the files of our respective bureaucracies. Let us have a short document that reflects the longing of Africa and Asia, and elucidates how cooperatively we will fulfill that longing.

Such a document should be given a name that will inspire us and move us to act. I propose, therefore, that we should call it The Ubuntu Charter of Bandung 2005. Ubuntu encompasses the very essence of all that we are trying to accomplish. It is in keeping with the cultural and spiritual traditions of all our countries.

In the Zulu language, I understand, that Ubuntu means, 'I am because you are'. Asia is because Africa is. Africa is because Asia is. Hence, each of us will be better off if the other is better off. I can think of no other better word to express the spirit of our cooperation and symbolize the significance of our endeavours. Ubuntu is in itself the new strategic partnership between Africa and Asia.

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030. Statement by Minister of State for External Affairs E. Ahamed at the 5th meeting of the Council of Ministers of Indian Ocean Rim Countries and Association for Regional Cooperation.

Colombo, August 26, 2004.

Mr. Chairman

Excellencies, ladies and gentlemen,

Let me, at the outset, convey my warm appreciation to the Government and people of the Democratic Socialist Republic of Sri Lanka for the gracious hospitality extended to me and my delegation and for the excellent arrangements made for our meeting here in Colombo.

2. This is the Second consecutive year that Sri Lanka is hosting the Council of Ministers meeting, as a result of the last Council meeting's decision to have annual ministerial meetings. The purpose was to give impetus to our organization's activities. Judging from the progress we have made since the last Council meeting, this appears to have infused some life into IOR-ARC. I wish to congratulate you, Mr. Chairman, on your leadership and shouldering the onerous responsibility of taking our organization on a rapid growth path.

3. In the letters you have addressed to us in recent weeks, we find a candid review and appreciation of the ground realities in the 7 years of IOR-ARC's existence. It needs to be provided greater substance. Only when we show real progress, would we be noticed and listened.

4. We can derive much satisfaction from the deliberations carried out by our Senior Officials over the past two days. They have discussed the administrative and budgetary concerns. The recommendations they have made for our consideration are practical and reflective of the need of the hour. We need our Secretariat to be assured of all the logistical and budgetary support so that we can demand commensurate results from it. I wish to place on record my delegation's high appreciation for the generous financial contribution Mauritius has made all three years in the running of the Coordinating Secretariat at Port Louis and the performance of the outgoing Executive Director, Mr. Dusoruth, in running the affairs of the Secretariat.

5. At this juncture, let me also express my good wishes to Ambassador T.Z.A. Samsudeen, the incoming Executive Director of the Coordinating Secretariat, for a successful term. We hope that you will closely monitor the implementation of the many activities and projects proposed by the Academic Group, the Business Forum and the WGTI.

6. Mr. Chairman, I will be remiss if I fail to mention about the concerns you have expressed in your letter to us on the level of participation from member states and dialogue partners in our meetings. It is reflective of the interest our respective headquarters take in IOR-ARC affairs. I agree that unless there is a matching support from headquarters of every member state, the Coordinating Secretariat or the Working Groups alone cannot make much headway. We must, therefore, demonstrate the required political will to support the activities of our organization. As you are aware Mr. Chairman, our Parliament is currently in session but in deference to your sentiments, I chose to be present at this important meeting.

7. Friends, we need to develop projects or commission studies that provide tangible benefits to member states and dialogue partners. Only then can we expect a matching level of interest from headquarters. The recommendations of the three working groups should have practical applications and facilitate conduct of trade, economic and other cooperation activities between us.

8. For example, we should organize workshops on issues having direct relevance to our trade and industry sectors or for our developmental activities or for the good of the civil society. There are many areas where we can benefit by sharing each other's developmental experiences, technologies, traditional knowledge or best practices. India would be happy to organize such mutually beneficial workshops and cover local costs. But unless there is commitment of participation from at least a simple majority of our membership, the enthusiasm gets diluted. This was our experience earlier this month when we hosted the 2-day IOR-ARC e-commerce Round Table in Delhi.

9. Yet another project of relevance to all Member States with high growth potential relates to the tourism sector. I am glad Mr. Chairman that you also hold similar views on this matter as was evident in our informal discussions last evening. Our countries have vast potential in attracting tourism and rather than depending on tourists from developed world alone, we need to

promote intra regional tourism. I am prepared to request the Ministry of Tourism of India to organize in India a workshop of travel trade and tourism industry representatives of the IOR-ARC Member States with back-to-back meeting of tourism ministers.

10. Mr. Chairman, in assessing the achievements of our organization, we must also take into account the fact that we are a diverse group of countries, coming from different geographical locations, different levels of economic development and belonging to our respective regional groupings. But then we also have the Indian Ocean that sustains the maritime lifeline of over 50% of world trade and binds us together. We should encourage the three working groups - The Academic Group, the Business Forum and the Working Group on Trade and Investment (WGTI) to come forward with such tangible proposals, as would have relevance and interest for a majority of our membership.

11. I am glad that such an approach has been proposed by the WGTI with regard to the Preferential Trade Agreement. We would be happy to support all trade and investment promotion activities and facilitation measures.

12. Mr. Chairman, the private sector in India has made a significant progress in recent years. Our knowledge industries have created their own brand image. This is attracting major global corporations to invest and locate in India. At the same time, the Indian private sector is also looking for investment opportunities overseas. We have to be candid in admitting that the private sector corporations would invest in any legitimate businesses or economic activity in any location globally where they find commensurate returns on, and security of their investments. The Government of India is ready to facilitate private sector investment in IOR-ARC member states for mutual benefits.

13. Before I conclude, let me express Mr. Chairman, my delegation's commitment for extending full support for carrying forward our young grouping on the path of rapid growth. I have no doubt that our deliberations under your mature leadership would help us arrive at concrete decisions in this regard. Thank you, Mr. Chairman.

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031. Statements by External Affairs Minister K. Natwar Singh and Minister of State E. Ahamed on the release of Indian hostages in Iraq.

New Delhi, September 1, 2004.

Shri K. Natwar Singh: The Indian hostages have been released[1]. My colleague Minister of State Mr. Ahamed has spoken to the members of the families. We have been in touch with our Ambassador Mr. Talmiz Ahmed and our Embassy in Baghdad. We are all very relieved and so are all the Indians because we have had some very anxious moments. The end, as it

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1. When the hostages were taken the MOS E. Ahamed had on July 24 made the following statement:
"I am speaking with heavy heart. Three of our countrymen have been taken hostage by some people in Iraq. Why they done it to our people, their brothers in India? Is it not India which has taken the firm stand that India will not send its troops to Iraq? Is it not India which has advocated throughout the world that Iraqi people should be given their sovereign right? Is it not India which has decided to extend humanitarian assistance to our Iraqi brothers? Is it not India which stood by Arabs steadfastly supporting every Arab cause? Even then this is what we have to face. I do not know how to express the woes and the feelings of the relatives of the hostages. Every day they are calling me. What shall I say? This is being done by the hands of our Arab brothers for whom we have been standing every time. That too Iraqis. We have a traditional relationship with them. ……."
On July 25 the MOS made the following appeal:
"As well-wishers of the people of Iraq and also as the champions of the Arab cause, India naturally expects that their three citizens taken hostage by an Iraqi group, be released soon. The people of India have great faith in the people of Iraq, who will never think of doing anything harmful to India and its people because of the historical and traditional relationship between the people of Iraq and India is based on mutual trust, confidence and brotherhood. Therefore I request that the Indians hostage be released. Every patriotic Iraqi will appreciate India's principled stand that our country supports the aspirations of the Iraqi people. There is no justification for anybody to keep innocent persons in captivity. Those who are in custody as hostages also have their families back in India who live in tears. Islam teaches every body to be just and fair and the people of India expect that captors will also honour the Islamic way of thinking towards the innocent. As far as I am concerned, I have absolute faith in Almighty Allah to give Hidyath to the group who keep our people as hostages to release them. As a believer in God, I always hope that the Almighty will help our people in being released from captors."
On July 31 the Ministry of External Affairs in a press release indicated the efforts being made to get the three hostages released. It said: "The GOI has learnt that Sheikh Hisham al Dulaimi who has conveyed that he is assisting in the resolution of the hostages issue out of humanitarian considerations, has made a statement on Al Arabiya TV this morning. Sheikh Dulaimi said that the Indian and Egyptian embassies are making efforts to seek the release of the hostages. He made an appeal to the hostage-takers that they should not carry out their threat to execute one of the hostages this evening. He requested them to extend the deadline so as to give an opportunity to further negotiations. Sheikh Dulaimi's statement follows the issue of an Appeal by the Embassy of India in Baghdad on he evening of July 29,

has been, is a matter of great relief. I want to thank the Minister of State Mr. Ahamed for the long hours that he has put in – almost round the clock – monitoring the hostage developments for the last so many days. Now, I would like him to say a few words.

Shri E. Ahamed: Friends, I was sharing with you all the information whatever I had on this hostage taking. Today I am sharing with you that a little while ago I talked to Antaryami and he has informed me that all of them are very happy. All of them are very happy (with what) the government and its representatives have done to get them released. It is a matter of pride for all of us that we got our people released in consistence with the policy that we have stated and without sacrificing any of our perceptions and policies in these matters. We are very much thankful to all those who have helped us in this matter. Personally speaking I owe to my senior colleague for his encouragement and guidance in dealing with this situation. Hon'ble Prime Minister Dr. Manmohan Singh and my senior colleague also have been informed on a day-to-day basis about all the latest information. When I informed Hon'ble Rashtrapatiji and Hon'ble Prime Minister, all of them said that they were happy that our collective prayers have been answered without sacrificing our principles. I also take this opportunity to express my deep sense of gratitude to my friends in media for having shared with us all the sentiments they had. I am very much thankful to you for sharing the agony and the anxiety we have been going through during last so many days.

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2004, which was communicated to Sheikh Dulaimi. The Kuwait Gulf Link Company has confirmed that it has established contact with Sheikh Dulaimi and a meeting between him and a Company representative is likely later today. The Company has stated that it is willing to take whatever steps are necessary to facilitate the safe and early release of the hostages. The Crisis Group of the Government of India chaired by Shri E. Ahamed, MOS External Affairs is closely monitoring the situation and all efforts are continuing to ensure a successful and happy conclusion of this incident. We are in contact with the family members of the hostages to apprise them of the latest developments and to reassure them of the Government of India's commitment to seek the safe and early return of their loved ones".

The Minster of State Mr. E. Ahamed who kept watch on the developments constantly kept the media and also the families of the hostages informed throughout the period of their being held hostages in Iraq. To help resolve the crisis Mr. Talmez Ahmad, the Indian Ambassador in Oman, who spoke fluent Arabic and knew the area well, was deputed to Baghdad, where he stayed until the release of the hostages. The Indian Ambassador in Kuwait Swashpawan Singh remained a major link in the Indian efforts to resolve the crisis. The hostages were: S/shri Antaryami, Sukhdev Singh and Tilak Raj.

032. Extracts from the press conference of Prime Minister Dr. Manmohan Singh.

New Delhi, September 4, 2004.

The Prime Minister Manmohan Singh confirmed that he would meet the Pakistan President Pervez Musharraf in New York later this month on the sidelines of the United Nations General Assembly session. Asked at his press conference about the likely agenda for the meeting, Dr. Singh said: "I will be meeting him for the first time. It will be an exercise in mutual comprehension."

On relations with Pakistan, he said the Government was committed to the peace process and carrying forward the dialogue process. (During the 100 days in office, it had already concluded the first round of the Composite Dialogue.)

"Our approach to the talks would be based on realism and the belief that the people of South Asia are bound together by a shared destiny. It is not in my nature to promise a false dawn, but I believe in the ancient saying that 'a road is made by walking step by step.'" On Jammu and Kashmir, Dr. Singh said: "We are not afraid of discussing the J & K issue. We are committed to having a dialogue with all groups, whether in J & K or the north – east, provided they shun violence. I am confident that the Hurriyat Conference will also take part in the dialogue and benefit from the process."

To another question, he said India was keen on developing and building on the relations with China. "Our representatives dealing with the boundary question are engaged in discussions. We shall move forward on resolving the boundary issue and fashion a stable cooperative relationship with that country. I am fascinated by development of the Chinese economy and its society in the last two decades and I am sure India and China can share a lot of their experiences in development," he said.

He reiterated that India would continue to strengthen the strategic and political equations with the United States and the Russian Federation. On India's desire to become a permanent member of the Security Council, Dr. Singh said it was a legitimate aspiration and the interests of countries such as India and Brazil could not be ignored.

He referred to the recent visits of the Foreign Ministers of Japan and

Germany and said these countries had also indicated support for India's place in the Security Council. "This is an essay in persuasion." On the nuclear weapons issue, he said: "We are a nuclear weapons state and we are aware of all that comes with it. The doctrine of no-first-use is the right posture for a country like ours."

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033. Interview of Prime Minister Manmohan Singh with the London-based daily *The Times.*

New Delhi, September 20, 2004.

(Manmohan Singh gives his first interview as Prime Minister to Michael Binyon and Catherine Philip, before telling Tony Blair of his plans for a global powerhouse)

(INDIA's new Prime Minister will brief Tony Blair today on his vision of India as a global economic powerhouse, embracing all competitive challenges and demanding a full say in world affairs at the United Nations.)

Manmohan Singh, in his first interview since an upset election returned his Congress party to power, told The Times that he was determined that India should forge closer links with Britain, be more active in the fight against terrorism and stake a claim to a permanent seat on the UN Security Council. "That's my vision, that's my commitment - to steer the country in the direction in which India is taken seriously."

Speaking in his Prime Ministerial office, a modest room in the grandiose government complex built by Lutyens for the Raj, he said that his visit to Downing Street would be a "sentimental journey" back to a land where he spent years studying. Dr. Singh, 71, is a economist and former Finance Minister, with degrees from both Oxford and Cambridge - unique among today's leaders.

However, the mild-mannered Sikh, the architect of India's economic reforms who was asked by Sonia Gandhi to head the Government after her victory in May, made clear that he wants to lead a more dynamic, assertive India not afraid to grasp the nettles of globalisation, international

responsibilities and competition with its giant neighbour China. And he is looking to the huge Indian Diaspora in Britain and the United States to promote a more vibrant image of his country overseas.

Dr. Singh will urge Mr. Blair to back his campaign, which he is to spearhead at the UN General Assembly in New York this week, for permanent Security Council seats for India, Germany, Japan and Brazil. "We feel that India has a strong claim to a seat, given our size, given our potential, given our capacity", he said.

He will tell the Prime Minister that Britain's historic relationship with India has been jeopardized by Britain's "faulty" decision to charge high fees for foreign students. He will tell him that a generation of Indians is looking to the United States because British Universities do not offer the scholarships available there. He appears genuinely hurt that his intellectual mentor seems to be turning its back on Indian talent.

Dr. Singh will say that India has no intention of slipping back into protectionist isolation. Any attempt in the West, especially in the United States, to curb the outsourcing of jobs to India would, he said, fly in the face of globalisation and could cost thousands of companies their competitive edge. He is expected to sign a pact with Britain to bolster trade and increase Britain's economic stake in India, where it is the third-largest foreign investor.

A wide ranging agreement to tighten security co-operation and commit India more fully to the fight against terrorism is also expected. This is likely to involve stronger links between MI5 and its Indian equivalent, as well as increased police co-operation. The Indians are hoping that their recent capture of a man wanted in Britain for murder will set the pattern for the pooling of intelligence.

On terrorism, Dr. Singh said that India would co-operate with anyone, bilaterally or regionally, to end "this menace to a civilized way of living". He promised to step up his country's campaign against drug-trafficking and to do more to share intelligence on terrorist networks. India had itself been the victim of terrorism for 15 years, he said, referring to Kashmir. He would now push for an international convention on terrorism.

Although India has accused Britain in the past of sheltering Sikh and Kashmiri militants, and still wants the extradition of several people accused

of fundraising for separatist groups, he will not make this a point of contention today. “I don’t propose to raise any individual cases’, he said.

Dr. Singh’s claim to a greater role for India in world affairs is let down by its reluctance to involve itself in unpopular issues. He ruled out sending troops to Iraq, and said that offers of help for Iraqi reconstruction must await better security.

He was “sceptical’ about an Indian role in “peacemaking”. “We have to recognize the realities of power, and that international relations are essentially a reflection of power relations”. India’s role “tends to be rather limited”- a phrase that suggests a lack of confidence over India’s global reach.

He was equally circumspect about his first meeting this week in New York with President Musharraf of Pakistan. Normalizing relations with India’s nuclear neighbour was a key concern, he said. India was “very serious and sincere” in wanting all disagreements resolved through bilateral dialogue- a formula that rules out direct talks with Kashmiris. The issue was fraught with the “burden of history”, but both leaders had an obligation to “think out of the box”, he said.

Dr. Singh will also meet President Bush, but must tread carefully because the Iraq war was deeply unpopular in India. He said simply that he would “like to know his assessment of the situation”. And he underlined India’s backing for the UN to run Iraq until a new government could take over.

Dr. Singh, who is the first Sikh to hold supreme office and is known for his Cambridge-blue turbans, spoke quietly but without hesitation. Only a few officials and media advisers, impressed by his growing ability to project himself, were also present.

He has held one press conference since taking office. Dr. Singh and his officials wanted to use his interview to claim a place on the world stage, where he would be seen as more than an economist or caretaker prime minister.

He forcefully rejected any suggestion that Mrs. Gandhi was the power behind the throne, insisting that they had separate responsibilities and worked harmoniously together.

"I have every reason to believe that the relationship that I enjoy with Mrs. Gandhi strengthens me in discharging my responsibilities as Prime Minister", he said. She chaired the Congress-led coalition and oversaw the Government's direction. "That's a source of strength, not a source of weakness for our Government."

Although many Indians saw him as an accidental prime minister, he said that he was ready for the long haul. "I have no doubt that the Government is here to stay. It will complete five years. That is the mandate". And he repeated a quotation from Victor Hugo that he used when announcing the reforms in 1991 that opened India's door to the world: "No power on Earth can stop an idea whose time has come".

For Dr. Singh, born during the Raj, the old Congress ideals burn bright. In making India a global power, he insisted that he would also "get rid of chronic poverty, ignorance and disease, which still afflict millions and millions of our people."

"I want a rapidly expanding economy, a caring society and an inclusive society where people are equal citizens regardless of their religion, caste and creed".

✦ ✦ ✦ ✦ ✦

034. Interview of Prime Minister Dr. Manmohan Singh to the American Weekly *TIME.*

New Delhi, September 20, 2004.

"India's development is unique"

Indian Prime Minister Manmohan Singh talks with TIME

Mild-mannered technocrats don't often get to run a country as large as India, and Manmohan Singh has another striking challenge: within the ruling Congress Party, he reports to President Sonia Gandhi. To find out how Singh is faring, TIME's William Green, Alex Perry and Aravind Adiga went to his official residence to conduct his first foreign press interview since taking office.

Time : Are you really the Prime Minister?

Singh: Of course I am the Prime Minister.

Time : Is there an overlap with Sonia Gandhi?

Singh: I carry out all the responsibilities that a Prime Minister should. I meet with her, interact with her quite often. I have been in Congress for nearly 30 years and worked very closely with Mrs. Gandhi for the last six. But that is not to say there is interference. This is a misconception.

Time : You're not a politician and politics can be a nasty game. Are you nasty enough for the job?

Singh: I hope I'm firm enough without being nasty. I know where to draw the line.

Time : What do you consider your biggest challenge?

Singh: The biggest problem in India is to get rid of chronic poverty and infectious disease, which still afflict millions and millions. This should be done by development and democracy, ensuring we move forward on the road to development and empower people to lead a life of dignity and self-respect. In that way, India's development is unique. There aren't many countries in the world which have

undergone a social and economic revolution in the framework of a democracy. It's the biggest experiment in world history.

Time: How did growing up in a remote village influence you?

Singh: That was a very poor village. We had only a small primary school. It leaked, so when it rained we had a holiday. There was no drinking water. I saw a lot of poverty there. I know a lot of families who lost their dear ones to infectious diseases. That's what was India was then. When I was young, my parents gave me a book. And it describes how India is potentially a rich country inhabited by very poor people. And I think the desire [was born then] to do something for development, to understand why some countries are poor and some rich, and that was the major motivation which led me to study economics.

Time: How do you keep up with China?

Singh: I admire a lot of what is going on in China, but India cannot become China. Within our own institutions, we are trying to provide as hospitable environment for investment—domestic and foreign—as we can. Comparisons are odious. I do not see India as most corrupt or our bureaucracy as most ineffective. Infrastructure is a big problem. [It's] not on par with our competitors'. As far as inefficiency and corruption is concerned, there is no short answer to that. But we cannot afford it. Currently the Indian economy is growing at around 6%. But 7.5-8% is the goal for the next five years.

Time : What do you make of the controversy in the U.S. over outsourcing?

Singh: It has taken us quite some time to realize there is no other option but to align ourselves with the modern global economy. Outsourcing is one consequence of that. You cannot have selective globalization. I sincerely hope the U.S. and other countries realize there is such a thing as comparative advantage.

Time: What's your agenda for meeting Pakistan President Pervez Musharraf?

Singh: Getting to know each other is important. But we are willing to discuss

all outstanding issues, including Jammu and Kashmir, and find solutions rooted in ground realities. I cannot predict the outcome, but we are very sincere in our desire.

Time : Are you surprised to be Prime Minister? Are you enjoying it?

Singh: I was not an aspirant. I became Finance Minister by accident and I think I did a good job of it. I have become Prime Minister in similar circumstances. It's a great honor and I'm confident I will do as well. [But] the summit is always lonely.

✦ ✦ ✦ ✦ ✦

035. T.V. Interview of Prime Minister Dr. Manmohan Singh on Charlie Rose Show.

New York, September 21, 2004.

Charlie Rose : Mostly this evening, an exclusive conversation with Manmohan Singh, the new prime minister of India.

Manmohan Singh, Prime Minister, India : In 1991, when I first presented my first budget to the Indian Parliament, I had said that no power on Earth can stop an idea whose time had come. This was of course a quote from Victor Hugo.

Charlie Rose: Yes.

Manmohan Singh: And then I suggested to our Parliament that the emergence of India as a major powerhouse of the world economy happened to be one such idea whose time had come.

(END VIDEO CLIP)

Charlie Rose: The president's speech at the United Nations, Chris Patten and Manmohan Singh, next.

…(Talk with Mr. Chris Patten on President's Bush's address to UN General Assembly)…

And have you, because I'm introducing to America in terms of an

exclusive and first television appearance, the new prime minister of India. You know him.

Chris Patten : Yes, I do. He is – he's I think one of the most remarkable public servants in the world. He's a very, very distinguished economist, as you know. He's a graduate of Oxford. He's also a graduate of Cambridge, so he covers — he covers both fronts. And he's a very distinguished...

Chris Patten : Exactly. I've worked with him a bit when I was a development minister, and he was the Indian finance minister. He's got huge grace and intelligence and charm. And I think he's very wise about — not just about economics, but about the moral dimension of economics. And you don't say that about many people. So I think he's a remarkable leader, and India is very lucky to have him.

Charlie Rose: What better introduction for the prime minister. Here is a conversation we recorded earlier, talking about India, the challenge it faces in terms of economics, in terms of its relationship with the United States, its relationship with Pakistan, Kashmir, the plight of the poor, the future of technology, all of this in a wide-ranging conversation took place earlier today with Prime Minister Singh of India. Here it is.

Charlie Rose: Mr. Prime Minister, thank you very much for sitting with me for this conversation as you attend the United Nations General Assembly to talk about India and the world.

Manmohan Singh : Thanks very much. It's a great pleasure for me to be on this very famous talk show.

Charlie Rose: Thank you. You met this morning with the president. Can you tell us what happened at that meeting, and what you hoped to accomplish in this bilateral relationship with the United States?

Manmohan Singh : Well, we reviewed the state of our bilateral relations, and both of us agreed that our relations have grown, expanded, and gained in maturity during the last four years of the president's administration. And we both agreed that the best is yet to come, and we reaffirmed our commitment to work together to strengthen Indo-American relations in all possible ways.

Charlie Rose: What kinds of things might be yet to come?

Manmohan Singh : Well, we have been discussing issues relating to trade and high technology items. In January, when Prime Minister Vajpayee and President Bush issued a joint statement outlining the next step in strategic partnership, they had figured out the trade and high technology and helping our civilian nuclear industries, civilian space industries and missile defense and high technology trade, certain steps were outlined. I'm glad to report that we have successfully launched the first stage of the next step in strategic partnership.

Charlie Rose: The United States is no longer going to limit its exports, its technological exports to your space program.

Manmohan Singh : Well, that's the beginning. I think there are three stages. Well, some of our important space organizations, like ISRO, have been removed from the restricted list.

Charlie Rose: Might it also include sort of exports that might go to the civilian and peaceful uses of nuclear technology?

Manmohan Singh : Well, that's on the horizon, yes, as well. As I said, civilian space programs, civilian nuclear energy programs, these would be the natural beneficiaries of the new arrangements that we have been discussing with the United States.

Charlie Rose: The United States, since 9/11, 2001, has been involved, as you know, in a conflict against terrorism, Afghanistan, and then in Iraq. It has also had a new relationship with Pakistan. Do you at all feel that that relationship, the closeness of the relationship that has developed between Pakistan and the United States in any way affects the relationship with India?

Manmohan Singh : Well, we look upon our relationship with the United States in the wider prospect. India is a country of great potential, and also in the same way we feel that our relationship with the United States does not have to be a hyphenated relationship between India and Pakistan. We recognize, I think, the circumstances in which the United States had to strengthen its relationship with Pakistan, because of the events in Afghanistan. But we do not feel I think that that should be a barrier or a bar to development of our own relationship with the United States, which are multi-fold. The fact that we have in the United States 1.5 million people of

Indian origin, active in diverse fields of economic and social activities, having done so well, I think lends our relationship a new vitality.

Charlie Rose: How do you reach out to the rural poor and make sure that this economic success in India reaches them?

Manmohan Singh : The recent elections that we have had in our country, they were demanding not more reforms, but better managed reforms, to launch a reform process which is much more inclusive. In the sense that people at the lowest rung of the social and economic ladders must also feel that they're partners in progress. And that means greater attention to the needs of the agricultural economy, where 65 percent of our people live, greater attention to strengthening the educational foundations of our society, greater education to basic health care facilities, building social safety nets, so that the processes of change do not lead to an excessive burden being placed on the weakest elements of our society.

Charlie Rose: What's the role of the private sector?

Manmohan Singh : The private sector has an ever-expanding role in our economy. By international standards, India is a private enterprise economy. The public sector in our country does not account for more than 30 percent of total national expenditure. It is much less than probably in the United States and in most European countries.

Charlie Rose: When you talk about the economic future, I mean, what level of growth can India continue at?

Manmohan Singh : In the last 10 to 12 years, taking into account the average, we have grown at the average annual rate of over 6 percent.

Charlie Rose: Six percent.

Manmohan Singh: Six percent per annum.

Charlie Rose: Compared, say, to 7 or 8 percent in China, 3 or 4 percent in the United States.

Manmohan Singh : Yes.

Charlie Rose: Can you continue that?

Manmohan Singh : Well, it's my ambition and it's our expectation that in the next five years, we should be able to raise that growth rate to at least 7 to 8 percent. That's our commitment in our common minimum program.

Charlie Rose: Do you think in this century — speculate for me because you certainly know economics and finance — that in this century, India might have the strongest economy in the world?

Manmohan Singh : Well, I am not an astrologist. And all I think people who believe in forecasting the future, I think in the famous words of Dante, are probably condemned to... hell. But I have every reason to believe that the Indian economies will grow at a much faster rate in years to come than it has grown in the past.

And why do I say that? Unlike many other countries, including countries of Asia, the proportion of people of working age is going to increase sharply in our country in years to come. And that, all demographers tells me, that the increase in the proportion of people in the working age, the total population, will increase the saving potential of our economy very considerably. We will have a relatively young — younger population, and that will create new opportunities for expanding the scope for productive investments in our country.

Charlie Rose: But in terms of economic growth, most people believe that this may be the century of China and India. They look at the level you're growing, they look at what's happening in Asia. Can you see that China and India can maintain a relationship of competitiveness that doesn't spiral off into a kind of rivalry with negative possibilities?

Manmohan Singh : Mr. Rose, in '91, when I first presented my first budget to the Indian Parliament, I had said that no power on earth can stop an idea whose time had come. This was, of course, a quote from Victor Hugo.

Charlie Rose: Yes.

Manmohan Singh : And then I suggested to our Parliament that the emergence of India as a major powerhouse of the world economy happened to be one such idea whose time had come.

Indian economy is now growing at a faster pace than before. Indian economy is much more open to new ideas, to new competition, internal and external.

So I have every reason to believe that the 21st century may well be the Asian century, but I don't look upon our growth as necessarily being in competition...

Charlie Rose: It's not a zero-sum gain.

Manmohan Singh : I believe the world economy is wide enough to accommodate the ambitions of both India and China.

Charlie Rose: Is it easier to have economic growth if you have an authoritarian government than it is if you have a democracy?

Manmohan Singh : Well, in the short term...

Charlie Rose: Short term.

Manmohan Singh : ... it is probably easier. I recall once a very senior official of the IMF, who was an old friend of mine, he narrated to me his experiences in dealing with the South Koreans. And he said to me that President Park was then in office. And IMF proposed to the Korean government that there had to be a devaluation of the currency.

Charlie Rose: It happened the next morning.

Manmohan Singh : And Mr. Tuntin (ph), who was the representative of the IMF, he told me that when he raised that question with the finance minister, he said, but that's a very difficult question. I need some time. So the IMF representative asked him, how much time do you need? He said, half an hour. Now, and in half an hour, he put a telephone call to President Park, and it was done. Now, we cannot repeat that.

Charlie Rose: Would you like to operate in a system like that?

Manmohan Singh : Well, I do believe that our system in the long run will produce more durable results. A system where reform is based on consent of the widest possible sections of the population, where there is an agreement more to the purposes of reform and the instrumentalities of reform. It may seem to be moving slowly in the short run, but I have every reason to believe that this slow and steady will win the race.

Charlie Rose: You grew up in meager circumstances.

Manmohan Singh : Yes.

Charlie Rose: In Napanja (ph), which is now Pakistan.

Manmohan Singh : Yes. That's true. I was born in a village in west Punjab. I come from very poor agricultural families. Though I think the land holdings were very small, so many members of our family would go out in search of jobs outside the village.

And — but I grew up in that village. I went to the village school, primary school. Where I was very surprised that they still maintain the records of what I did in my primary school. That's more than 50 years ago...

Charlie Rose: They still have the records.

Manmohan Singh : More than 60 years ago.

Charlie Rose: And then you were able to go to London for an education at Oxford and Cambridge. How did that happen?

Manmohan Singh : Well, I think that's a tribute to our system of scholarships. I could have never afford — I could have never afforded to go to Oxford or Cambridge on the basis of resources at my disposal. My parents could not send me, but I did well in the examinations in India, and therefore I was able to win a scholarship. And that is how I went to Cambridge. Then I did well in Cambridge, and Oxford University... gave me a fellowship, so that's how I am the product of the scholarship system. And that is what...

Charlie Rose: A meritocracy.

Manmohan Singh : Well, a meritocracy, but I also considered myself very fortunate, because not all people get these chances.

Charlie Rose: And what did you think you would do?

Manmohan Singh : Well, it might interest you that right from the beginning, as a thinking student of 15, 16 years ago, I was troubled by the grim poverty that I saw around me. And there's one book written by a very famous author in our country, Nino Masamil (ph). It was entitled "Our India." It was in our school texts. And the first sentence in that book was, "one man in every five is an Indian." And yet it concluded India happens to be a rich country inhabited by very poor people. To understand factors, why India is such a poor country, why there is so much misery, why there is so much poverty,

that is what led me to the study of economics.

Charlie Rose:: But it must also, now that you have achieved this position, as prime minister, give you great sense of purpose and mission that you now have the capacity to change history.

Manmohan Singh: Well, I always regarded public office as private education at public expense. But you are very right, this is a great opportunity.

Charlie Rose: Why is it that the world is — we allow so much poverty in the world? I mean, it's an extraordinary — everybody that I know, Jim Wolfehnson at the World Bank and everybody talks about it. It's unacceptable that we have so much poverty in the world, that two billion people go to bed every night making less than $2 a day.

Manmohan Singh : Well, certainly modern science and technology has made it possible, as never before in human history, to ensure that chronic poverty does not have to be the inevitable lot of such a large number of people in the world. But it is a failure of the institutions of social engineering that grim poverty still persists. The institutional arrangements for coping, for handling the problems have not been in place. We all talk in terms of an international strategy for development, but if you look at the flow of aid, in terms of contributions, the actual performance has been much lower compared with the accepted international talk (ph).

Charlie Rose: It seems though that the world, with so many things on its agenda, whether it's war, terrorism, disease, the spread of HIV/AIDS, you know, that it doesn't seem to be too high on the world's agenda, and on the agenda of the industrialized nations or the developing world.

Manmohan Singh : Well, I think for us, certainly, development is the key priority. And regardless of what international support we get, we are committed to deal effectively with the remnants of poverty that still persist in our country. And I'm confident that in the next 10 or 15 years, we will be able to soften very considerably the harsh edges of extreme poverty. But even then, we will not be a rich country by international standards. Our challenge is that within the limits of possibilities, say with a per capita income of no more than 1,500 and later $2,000, we should still be able to get rid of the harsh edges of extreme poverty. I believe that can be done, and we are determined to do that.

Charlie Rose: Everybody says about you, this is a good man. This is a learned man. And you've already quoted two famous authors in this conversation that have guided you. But at the same time, they wonder about your political toughness.

Manmohan Singh : Well, the proof of the pudding is always in the eating.

Charlie Rose:: To quote another famous author.

Manmohan Singh : Yes. When I became finance minister, India was in the midst of the worst possible crisis. Our foreign exchange reserves had literally exhausted. Even to raise a small loan of $500 million, we had to physically send India's gold reserves to the vaults of the Bank of England. And that was the time when there was extreme pessimism about the future of the Indian economy.

But I said to myself, we are in crisis, but the crisis is also an opportunity to — and I used that crisis to launch this whole reform program. There were a lot of uncertainties, there were lots of doubting Thomases, there were lots of people who were sharpening their knives hoping that I would fail. But we persisted. And today the Indian economy is one of the most dynamic economies of the world.

Charlie Rose: And so what political skills do you think — I mean, if you look back at that, what was it about you that enabled you to accomplish that?

Manmohan Singh : Well, first of all, clarity of purpose. Sincerity of purpose. And it is not true that I'm politically naive. I have been now in the public system since 1971. I held all the top civil service positions on the economic side of our administration. I was the secretary of the Ministry of Finance, I was governor of the Reserve Bank of India. I was the deputy chairman of the Planning Commission. So I've dealt with politicians of all shades of opinions,... I worked with almost every prime minister, for example, who has held office.

So having worked very closely, I have, I think, a reasonable appreciation of how to manage the political process, what will sell, what will not sell. And I do believe that as finance minister, I did reasonably well.

Charlie Rose: You will meet with President Musharraf. You have said that

what you hope comes out of this first meeting is getting to know each other. What do you want him to know about you and about your own feelings about Kashmir and what you're prepared to do?

Manmohan Singh : Well, I do wish to convey to President Musharraf that we have a unique opportunity. He was born in what is now called India, in Delhi. I was born in what is now called Pakistan.

Charlie Rose: It's rather extraordinary idea, isn't it?

Manmohan Singh: So I think this is a unique background.

Now, I know the problems that exist between India and Pakistan are extremely complicated problems. And it would be wrong on my part to say that we can resolve all these issues overnight. But we have lived through times where what was simply unacceptable in international relations became the norm. Who could imagine some 20 years ago that the Berlin Wall would melt, that the Cold War would be a thing of the past? But these things have happened.

Charlie Rose: And there would be a revolution in South Africa.

Manmohan Singh : A revolution in South Africa. So I think, given good will, given determination, how severe or difficult the present may seem I do believe sincerely that the way can be found to resolve all outstanding problems.

Charlie Rose: This is so important to the world obviously because both countries have nuclear weapons.

Manmohan Singh : Yes. But the nuclear weapons that we have — I can assure you we are a responsible nuclear power. We recognize that both of our two countries, having nuclear weapons, cause greater responsibility on us, and we have been discussing the confidence-building measures between our two countries. We have made very substantial progress, and I do hope that in the near future we will have credible arrangements by way of confidence building measures, so that there's no accident takes place, so that if there are tests with regard to missile pre-testing information will be given to each other countries to avoid any mishap and misunderstanding.

Charlie Rose: Why does India not sign the non-proliferation treaty?

Manmohan : Because it is an unequal treaty.

Charlie Rose: Unequal?

Manmohan Singh : Yes.

Charlie Rose: You mean everybody who has nuclear weapons hasn't signed? Or because...

Manmohan Singh : We believe that a non-discriminatory international regime is what the world — what the world needs. But as far as I know, the — the enmity divides countries, haves and have-nots. And that is not acceptable to us.

Charlie Rose: But some say that if you were a signatory, you would get more benefits in terms of even from the United States, which would like for you to be a signatory.

Manmohan Singh : Well, I think that's a thing of the past. As I mentioned to you, we have been discussing arrangements with the United States. Although we are a nuclear power, we have unilaterally declared a moratorium. We have also committed ourselves to no first use. And we have an impeccable record of export controls. We do not allow any participation of our enterprises, our individuals, in any proliferation activities. And I do believe that our record justifies the rest of the world to take us seriously.

Charlie Rose: How close did India and Pakistan come to a nuclear conflict?

Manmohan Singh : Well, my own honest assessment is that both of our countries are responsible countries, and the outside world probably exaggerates the chances of our two countries going to war.

Charlie Rose: How are these two countries building confidence with each other?

Manmohan Singh : Well, first of all, as I said, the confidence-building measures, with matters relating to use of nuclear weapons is one thing, so that there is no accident, there is no misunderstanding about each other's intentions. And that's what we have been discussing intensively with Pakistan. I hope progress will be made.

Then there are other confidence-building measures on the conventional armaments. That also we have been discussing. Then, there are the people-to-people — people-to-people contact, so that there should be, I think, awareness in both countries that as far as the common people are concerned, our two countries have so much in common. We have — in Punjab, for example, there's so much in common between the two parts of Punjab. In the same way, many of the people in Pakistan migrated in '47 from India. All of them...

Charlie Rose: Including you and your family.

Manmohan Singh : And all of these people want to re — I think build new contacts with their former relatives and others, so I think there is a lot of bases to work together to deal with these people-to-people contacts.

Charlie Rose: Kashmir. Some reports are that the Pakistani military is not supporting the Kashmiri rebels as much as they were in the past. Do you have any evidence of that?

Manmohan Singh : Well, in January 2004, President Musharraf and Prime Minister Vajpayee came to an agreement to restart the composite dialogue between our two countries, covering all outstanding issues, including Jammu and Kashmir. But the starting point of this was the unambiguous commitment of President Musharraf that the territory under Pakistan control will not be allowed to be used for terrorist activities in any other states.

Since then, there has been an improvement. The flow of infiltration across the border has diminished from November to May. But in July, June and July, there was again an increase. In August, there is some again, I think, improvement. But the infrastructure of terrorists by and large still remains intact. And that's a cause for worry.

Charlie Rose: How do you make this? What's the answer? What's the solution that will be politically feasible for India and Pakistan?

Manmohan Singh : Well, I think the first step is to recognize that terrorism as a weapon to resolve political issues is simply unacceptable in a civilized world. Once the machinery of terror is dismantled, we as a nation are committed to discussing with Pakistan all outstanding issues, including the issue of Jammu and Kashmir.

Charlie Rose: If they will stop supporting terrorism in Kashmir, all issues will be on the able.

Manmohan Singh : Yes, that's what we have said.

Charlie Rose: And what do they want from you? You'll find that out from President Musharraf later this week. But what do they want from you?

Manmohan Singh : Well, I think thus far, Pakistan was saying that the core issue is the issue of Jammu and Kashmir. We have been saying that Jammu and Kashmir is a symptom of a wider malaise. That — that is a complicated problem. It has persisted for the last 55 years. The two countries had three wars on Jammu and Kashmir.

Before we can get to resolve them, we must create an atmosphere of trust and confidence. And once the atmosphere of trust and confidence has been created, we would create a climate congenial to the resolution of more difficult issues, even that applies also to the issue of Jammu and Kashmir.

Charlie Rose: And in your own experience, as finance minister and in your political experience, I mean, what skills do you need to call on to make that happen? A better building of confidence measures, a strengthening of the relationship on a step-by-step basis, because in the end you have to deal with Kashmir.

Manmohan Singh : Well, for example, our two countries can expand flows of trade. We as a nation give most favored nation treatment to Pakistan. Pakistan doesn't give us. We would like, I think, this discriminatory practice should come to an end. We would like the people-to-people contact should be expanded. And thereby, we hope that the links between our two countries would grow in a manner in which they will create a proper atmosphere to tackle more difficult problems.

Charlie Rose: Speaking of terrorism, did you and the president talk about terrorism?

Manmohan Singh : Well, we did talk about terrorism.
Charlie Rose: What did you tell him?

Manmohan Singh : That...

Charlie Rose: What did he ask?

Manmohan Singh : That we are fully on board as far as the global war against terror is concerned. We will cooperate with everybody, bilaterally, regionally at the global level, in fight against terror.

Charlie Rose: On the other hand, it's not politically feasible for you to send troops, say, to Iraq, is it?

Manmohan Singh : No. Our Parliament debated this issue, and last year there was a unanimous resolution which said that we wouldn't be able to send troops, but we also said we would be happy to participate in the reconstruction of Iraq. We could provide training facilities. We could...

Charlie Rose: For the Iraqi defense forces and military?

Manmohan Singh : Of military police, for the police forces.

Charlie Rose: Police and law enforcement.

Manmohan Singh : We could give reconstruction assistance. We, in fact, offered a $30 million assistance for that purpose as well.

Charlie Rose: Are they receptive to that? Do they want to enlist you?

Manmohan Singh : Well, soon after I became the prime minister, I had a letter from the new Iraqi prime minister to that effect.

Charlie Rose: From Mr. Allawi.

Manmohan Singh : Yes.

Charlie Rose: Will you see him while he's here?

Manmohan Singh: Well, I have not planned to see him.

Charlie Rose: You know, what's — because you understand America, because you have many friends in America, because you had many relationships from your previous service in government, what is it that you think America needs to understand about its image abroad and its — and what — and how the world views the war in Iraq?

Manmohan Singh : Well, we are much closer to the Arab world in many

ways. Also, we have a large Muslim population in our country. We have 150 million Muslims in India, and therefore we have an understanding of the Muslim psyche in many ways better than many other countries.

We believe that this present struggle, war against terror, should not be I think transformed into a clash of civilization. It should be an occasion to treat it as a problem where all civilized world must get together to deal with it. But it is not Islam versus the rest of the world.

Charlie Rose: But are we making any progress in terms of coming to that understanding with peoples around the world?

Manmohan Singh : Well, there has to be a dialogue among civilizations.

Charlie Rose:: Is it taking place now?

Manmohan Singh : It should take place.

Charlie Rose: When you look at the future of India as well, why is it — and many people are aware of the enormous technological power that has come from India, and the technology that has enabled your economy to grow as it has — how do you explain it?

Manmohan Singh : Well...

Charlie Rose: What was it unique about India that enabled it to be so much on the frontier of software and technology and economic...

Manmohan Singh : Well, that, that in many ways is a tribute to the far-sighted leadership that Jawal Lalder (ph) gave to our nation. Right at the inception of our independence, he emphasized that science and technologies have to become an essential input into all our development processes. Therefore, a large number of institutions of technical and scientific knowledge were established. The Indian Institutes of Technology, the Indian Institutes of Management, a large number of engineering colleges. So the knowledge base of our economy has expanded. We today produce about 250,000 engineers per annum. And it is this comparative advantage, highly skilled labor force. And we're able at relatively low wage rate compared with what their counterparts earn in the rest of the world — I think places us at a unique advantage *vis-a-vis* many other countries.

Charlie Rose: Has it stopped the brain drain from India? In other words,

are your smartest and best staying in India and participating in this economic growth?

Manmohan Singh : More so than ever before. And in any way now, with this revolution in the transport and communications all over the world, I think people operate from the United States, but they are also active in business activities in India, I think. The traffic or the flow of traffic between countries has greatly increased, so people don't have to necessarily relocate themselves totally in India to be actively involved in the development of India.

Charlie Rose: You can understand, and Americans who watch this, you understand that the word outsourcing for many Americans is equivalent to loss of jobs in America. What do you say to those Americans who worry that they are losing jobs, because those jobs are going to India and other countries, and that they are the victims?

Manmohan Singh : Well ...

Charlie Rose: Of lower wages being paid elsewhere, where they have equivalent technological development?

Manmohan Singh : I would say that when I was a student, I was taught about the doctrine of comparative advantage. That relative factor... are the very foundation of international trade, which is mutually beneficial for all countries of the world. Outsourcing of services is an outgrowth of outsourcing in manufacturing processes, which has been going on for quite some time. It is a logical byproduct of the era of globalization, of freer flow of trade. And let me say that it certainly helps countries like India, but it also is not something which is hurting the United States, because many of the U.S. companies which use Indian expertise for outsourcing, they would not survive in this harsh competitive world if this cheap Indian software were not available.

Charlie Rose: So without those jobs that they — without the relationship to Indian jobs, their own companies would fail and therefore they would lose a lot more jobs.

Manmohan Singh : That's right.

Charlie Rose: There's also this argument, and you as an economist will

understand this. The argument is that it is also creating a middle class in India and creating a demand for other products manufactured in the United States, and therefore creating jobs. Is there any economic viability to that argument?

Manmohan Singh : That's certainly true, because we are not a materialist country. We are exporting goods and services, not to import treasure like gold and silver as in the mercantilist time. Whatever additional exports become available, we use it to buy goods from the rest of the world. And therefore, any income that we earn by way of export does not mean loss of demand for goods and services of the developed world.

Charlie Rose: How did a man who grew up in the Punjab, who had early on a great affinity for the plight of the poor in his own country — your parents fled to India in 1947.

Manmohan Singh : Yes.

Charlie Rose: How did you become a capitalist and such a firm believer in a free market?

Manmohan Singh : Well, experience is a great teacher. And as I grew older, I have not changed my value system. I still believe that equity is something which we should worry about. But I've come to the conclusion that equity does not mean filing of more regulation of private enterprise. That in the long run, equity and poverty can be dealt with only in the framework of an expanding economy. And that means that those who create wealth must be given all possible encouragement. And I think that's an evolutionary process. I think through my association with various governmental processes, this is how I've come to this conclusion.

Charlie Rose: And it is clearly — capitalism and the creation of equity and therefore the creation of jobs, has — does that — has become the dominant economic idea of our time, without question?

Manmohan Singh : Well, I do believe that capitalism has shown a great deal of dynamism.

Charlie Rose: Give me, as we close, your own priorities. Clearly there are smaller things that are important to India, which is a permanent membership in the Security Council.

Manmohan Singh : Yes. That's one priority.

Charlie Rose: You are meeting with Japan and Brazil and Germany and — who also would like to have permanent status. What else? As we close this conversation, should we be looking at India through your eyes as your priorities?

Manmohan Singh : Well, my top most priority is to deal with India's massive social and economic problems, so that chronic poverty, ignorance and disease can be conquered in a reasonably short period of time.

Charlie Rose: And you are optimistic about that?

Manmohan Singh : I am pretty optimistic. And I believe it can be done.

Now, how are we going to do it? We need strong, resurgent growth to achieve that. And it is my hope that in the next three or four years, we can raise the rate of growth of our economy from 6 percent to 7 to 8 percent.

Secondly, we must ensure that this growth process is much more inclusive, so we must pay a lot more attention to raising the growth potential of agriculture, raising the growth potential of the backward regions of our country.

Charlie Rose: You're especially speaking to the rural poor.

Manmohan Singh : Rural poor.

Thirdly, we must pay a lot more attention to basic social services, such as education, and health, and social safety nets, environmental protection measures. Because that's the only way in which we can empower some of the poorest sections of our society to acquire the means of becoming partners in processes of economic development.

Charlie Rose: Thank you very much again.

Manmohan Singh : Thank you.

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036. Speech of Prime Minister Dr. Manmohan Singh at the New York Stock Exchange.

New York, September 22, 2004.

"I am very grateful to be amidst such a distinguished group of businessmen and the doyens of the world's financial community. Ancient Indian scriptures have described of those who are commuters of world as deserving of the greatest respect of their communities and history has shown that businessmen including those who work in the field of finance are the ultimate custodians of possibilities of civilization. I, therefore, salute you and the institutions that you represent and for the active role that you are playing in processes of wealth creation and ensuring that the fruits of this development reach out to more and more people enlarging the conscientious purpose of those who benefit through the processes of wealth creation.

India, in 1991, opened a new chapter in its long and tortuous history. We have always been by and large a free enterprise economy. But we had a large number of bureaucratic concerns and our regulatory mechanism in some ways hampered the flourishing of the inherent spirit of adventure and enterprise, which is found abundantly in our country.

In 1991 we took the momentous decision to reverse that process, to enlarge the scope of competition, both internal and external, in our economic life. We took the decision that India's future lies in integrating itself with the evolving global economy, that it is only then that India's vast latent developing potential can be fully realised. We decided that we need a more power driven approach to devolve our foreign investment, both direct and institutional investments.

I am very happy to note the contribution that the US business community and the ladies and gentlemen belonging to the world of finance in this country and for the magnificent response that we received from them. But today I wish to tell you that we have merely splashed results. As I told President Bush, India's relationship with the United States is moving in the right direction. But there is a vast latent development potential which is still unexploited. It is our duty to work to realise that vast latent development potential, and I sincerely believe that it is possible that the best is yet to come. And I am here to convey to you that India welcomes your active involvement and interest in ensuring that India's war against poverty,

ignorance and disease, which still afflicts millions and millions of people in our country. This can be won.

The primary responsibility is our own and we will honour that commitment. But we need the active help and involvement of the world business and financial community to make a success of this unique experiment of development and democracy coexisting, going hand in hand. India is the second most populous country in the world with 1.2 billion people. We have all the great religions of the world represented in our population. We have 150 million Muslims in our country, more than probably in any other country, which describes itself as a Muslim country. We are a truly multi-ethnic, multi-cultural, multi-linguist society. To make out of this, heterogenic, cohesive nation has not been an easy task. And to do so while maintaining our commitment to our faith in democratic values, in our commitment to the rule of law, in our commitment to the fundamental human rights and the fundamental freedom, in the framework of India's extreme poverty has not been an easy task. But we have persisted.

We have received support and help from the United States and other friendly countries in making a success of this experiment. Today, India happens to be among the fastest growing countries in the world. Ever since we launched the reform programme, our economy has grown at an average annual rate of 6 per cent per annum. It is our ambition and expectation that in the years to come this growth rate go up to 7 to 8 per cent, and may be more. We will take all the hard decisions that are necessary to realise this ambitious growth target. It can be done and indeed when the last Congress government was in power, in the mid 90s we had managed to raise the growth rate of our economy to over 7 per cent per annum, the industrial growth rate to above 12-13 percent, export growth rate to over 20 per cent per annum, and it is my ambition to repeat what we were able to achieve in the mid 90s. And in all this, we seek your active help and involvement.

India welcomes foreign direct investment. India welcomes the participation of international financial, institutional investors. We are seeking new partnerships with the business communities, with the financial communities of the United States, and today I am here not to preach to you but to learn from you as to what more can we do to realise the vast latent potential of economic cooperation between the business communities of our two countries and what you expect from us as the Government of India,

what can we do to create a climate more congenial to the growth of the spirit of adventure and enterprise, risk taking and all that goes with the processes of wealth creation.

India is an open society and we are today living in a world where the revolutions in transport, communications and information technology bring home to every bed room what goes on even in the most distant parts of the world. So India is an open book. We have been worrying that we have very many challenging tasks. Today I am heading a coalition government, a coalition government in which there are many parties of the Left who are supporting us from outside. Many people ask me, 'Are you confident of carrying forward the process you began in 1991 in the changed circumstances when you are heading a coalition government with such diverse elements?' I wish to assure you that this is a task, which can be accomplished and will be accomplished. Why do I say that? Today there is a new wind of change. I often say politicians should be judged not by what they say when they are in Opposition, but what they do when they are in power. We have in one of our premier States, a government, which is headed by the Communist Party. And if you look at the track record of that government in welcoming foreign investment, in creating a climate congenial to the entry of more and more entrepreneurs from outside, that is an indication of the winds of change that are blowing all over our country.

I do not minimize the difficulties of evolving a consensus, but I do also believe that a consensus which is based on free discussion, active debate will be far more durable in carrying forward the reform process than ever before. If we represent today 70-80 per cent of the electorate, we can work out a cohesive meaningful agenda, perhaps in the history of India there has never been such a vast populous 'Food for All' programme than is the case now. We have evolved a Common Minimum Programme and the CMP has many things, but the important things are: it recognises first India needs large additional doses of foreign investment – both institutional investment as well as direct investment, it commits our government to work to strengthen our capital markets, to strengthen markets that will promote transparency, greater respect for institutions and a strong and fair regulatory regime.

So, you have my assurance that we have all the instrumentalities in place to carry forward the process of reforms. There are often noises to the

contrary that they are inevitable parts of processes of arriving at decisions in a functioning democracy, and India takes pride in being a functioning democracy. There are no doubt, also problems. When I talk to business people, they tell me, 'Well, India's infrastructure is a problem'. I do agree with them that infrastructure is our biggest problem and also the biggest opportunity. In the next 10 years we must invest at least $150 billion to modernise and to expand India's infrastructure, and we have major investments needed in energy sector, in power sector, in oil exploration, in roads programme, in modernising our railway system, food system, airports. This is where, I feel, we need a new experimentation with public-private sector participation because the public sector may have a role, but by itself it cannot meet all the requirements. As I see an expanding and very profitable role of foreign direct investment in meeting the challenge of modernising India's infrastructure.

We need a lot more attention to streamlining our bureaucratic processes, of managing the processes of a group. I often saw that businessmen coming from abroad find bureaucratic procedures a hindrance. I do recognize, but I also assume, that bureaucracy is like a horse; you can take it in any direction and it all depends on the quality of the jockey. Our government will ensure that bureaucratic processes, instead of being hurdles to further progress, being hurdles to encouragement of the spirit of adventure and enterprise, become active promoter. We are trying to shift the role of government from excessive interference in this sphere, from excessive regulation, to more and more a promotional role. I hear from time to time complaints about corruption. Now I have no readymade answers to corruption; but I am convinced that if we move towards more and more non-discretionary controls, if we simplify our regulatory mechanisms, if we simplify our tax rates, the system to remove the scope of discrimination, then we will succeed in creating a climate where there will be greater probity, there will be less harassment of honest businessmen.

I assure you, I as Prime Minister of India stand committed to doing all that I can to modernise and to expand India's infrastructure to make our infrastructure world class in the next five to seven years. I stand committed to ensuring that our processes of governance are as transparent as possible, that they are as friendly to businesses and enterprise, that they are as respectful as they should be to all those who are active in the processes of wealth creation. That I will do all that is necessary to ensure that corruption,

which is a problem in many of our activities, is contained, controlled and eliminated in due course of time. India's ambitions to work towards a growth rate of 7 to 8 per cent requires lots of support from the international business community. Our savings and investment rates enable us every year to invest about 25 to 26 per cent of our GDP.

I have every reason to believe that in the years to come India's domestic savings rate will go up very sharply because, unlike many other countries, the proportion of working age population in total population is going to rise very substantially and our demographic experts tell me that that should stimulate the growth of savings in a very substantial way. If we have the increased savings potential, we need to put in place financial instruments, financial institutions which will bring savers and investors in a more efficient manner and that is where I see an expanding growth for the financial services industry in our country. We have opened up our financial services industry to participation by investors from outside, but I do agree and I do recognize that more needs to be done in all these areas. And in all these areas I am here to seek your support, your guidance and your ideas as to how by working together, we can ensure that India does emerge in years to come as a major power-house of the evolving global economy.

It is our ambition to do better than what we have done. People talk about the Asian century. I am not an astrologer and I am also not the one who is good at forecasting. Anyway, I am told of those who forecast that when their forecasts come true, in the words of Dante they are condemned to go to hell. But, I have a dream and that is what I stated when I presented my first budget in 1991. I said to our Parliament quoting Victor Hugo, 'that no power on earth can stop an idea whose time has come' and I then said to the Parliament 'that emergence of India as a major power house of the global economy happens to be one such idea whose time has come'.

From the dark days of 1991 to the present days when our economy has been growing at the rate of over 6 per cent per annum, when our foreign exchange reserves are as high as $120 billion, when India's exports are growing at the rate of about 20 per cent, when India's industrial production is growing at the rate of 78 per cent, we have come a long way, but the best is yet to come. And to realise the dream, I am here to speak to you on behalf of my government and our countrymen, 'please come and participate in this new saga of adventure and enterprise, we want to launch in India'.

India needs America's support and active involvement. We recall with gratitude the help that President Roosevelt gave to our country long before India became Independent, in impressing upon the British that India must get its freedom to realise its test.

In the years after Independence, we received active support and active help from the United States in modernising our agriculture, in modernising our educational institutional set up, in ensuring that development was provided with adequate foreign exchange resources. But today we need a different emphasis. We want to strengthen the role of US business community including the US financial community in the management of this new wave that we have set, we wish to set forward. India must move to a new stage of development. India must integrate itself into the evolving world economy. It is our ambition to work together to create an economy in which there will be larger support than ever before for two-ways flow of trade, technology and investment. In this task, I seek your active help and involvement and support.

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037. Prime Minister Dr. Manmohan Singh's interview with *Wall Street Journal* Editorial Board

New York, September 22, 2004.

WSJ: What's your vision for India's economic policy? How will you help the poor and still keep economic growth?

Prime Minister Singh: I have always believed that meaningful solutions to the problems of poverty, underdevelopment, unemployment can best be found in the framework of a rapidly expanding economy. Therefore, first and foremost our commitment is to ensure that the economy which in the past 10 years has been growing at an average annual rate of about 6%. Increasing our effort to step up our rate of growth to 7 maybe 8% in years to come. I hope that it will make some impact. Small growth doesn't trickle down, but a growth rate of 6 or 7 or 8% does I think make an impact on the poverty profile.

But I recognize that the situation in which we are faced, we have not only to push forward the reform process, but also to ensure that the reform process is better managed. By that I mean that thus far our reform process largely concentrated on the industrial and the urban economy. It didn't deal with the problems of structural change in agriculture, where 65% of our people live and in fact in the last 5 years the agricultural growth rate declined very considerably. Investment in agriculture has not kept up at the pace at which it should be growing. So our task is to ensure that the reform process becomes much more inclusive and that we should pay attention to the development needs of agriculture. At the same time to make the whole process more inclusive, we have also to pay attention to backwards regions in our country. I often say that India is country where all centuries coexist. We have Bangalore, we have Hyderabad. We have also many parts of our country where time has not meant any big changes in the lifestyle.

In a democracy, and we are a functioning democracy, this can't….. There's a universal suffrage. Now that the television brings home to every bedroom the contrast between Bangalore and the rest of India. If we do not attend to the task of bring up these backward regions then we are piling up some trouble for the future. To make the reform process more inclusive we have to pay more attention to the needs of backward regions of our country and also through education and health and environment measures we must

help to empower those that are at the lowest rung and social ladder that they have a ray of hope, that they can reasonably expect that they can be partners in development processes. Our commitment to reforms remains undiluted. Deregulation has come to stay. Nobody is talking in terms of reversing that tact. More competition internally as well as competition via the opening up of the economy, external influences, moving to tariff rates which are broadly in line with what rates are to be found in our neighboring ASEAN countries.

We are today free of import controls. So the only effective barrier to competition from abroad is tariffs and those tariff rates have also come down very substantially from the days of '91 when I first became finance minister. We will persist in making our tariff regime more or less in line with what prevails in neighboring ASEAN countries. So the answer to your question is we need a strategy that combines high growth rates rising to 7 or 8% per annum, that coupled with must pay more attention to the needs of the rural economy. Also we must do more for our backward regions, plus we must empower our people through increased emphasis on education, on health, on environmental protection so that the lowest rung of the social and economic ladder also feel that they can in due course of time become partners in development.

WSJ: Should we interpret what you said as indicating that you don't expect any rolling back of privatization that has occurred already but don't anticipate much further privatization?

Prime Minister Singh: There will be no roll back. We are a democracy and we must honor what has been done by previous regimes. We do not want to introduce any uncertainty on that count and there should be no doubt about that. As for the future, our approach to privatization is pragmatic. Wherever public enterprises can function under competitive conditions, make decent profits, there is no earth shaking necessity to privatize. Even those enterprises if they want to raise capital, the budget can not provide them capital, if they want to go to capital markets then they can go to the markets…, so that disinvestment of even profit making enterprises is not ruled out.

Now there are enterprises that can survive in public sector only because they are monopolies. In those cases we will ask if there public enterprises that can survive in a harsh competitive environment on their

own, they don't have to be privatized. But if they can survive only because they have a giant monopoly, then of course we have a pragmatic approach. It will be a case by case analysis. In all these cases we have an open mind. But there large number of enterprises in the public sector which are not doing well. There again our approach is a case by case approach. If those enterprises can be made profitable, can be made to compete on an equal footing with other enterprises through marginal adjustments in investment well we will look at that favorably. But if it turns out that they have no future then of course they have to be privatized.

Our approach to privatization is a functional approach, it's a non-ideological approach. We're not opposed to privatization, but we don't accept privatization as the answer to all the problems of the private sector.

WSJ: Do you envision significant privatizations by the end of the year?

Prime Minister Singh: We have just come to office. We have started the process of looking at all the public sector. We have about 240 public sector enterprises. We are looking at the working of all public enterprises. It would be much to presumptuous on my part to say that I can prejudge what will be the result, but we will have a pragmatic approach to privatization, a non-ideological, pragmatic approach.

WSJ: What processes do you envision to increase the economic growth rate from 6% to 7 or 8%?

Prime Minister Singh: We are an economy where the investment rate is running about 25-26%. There will need to be a substantial step up in the rate of investment if we have to move from 6% to 7 or 8% growth rate. There we will enlarge the scope of participation on the part of the private sector. There are activities in our economy where there's a large scope for private sector investment, both domestic and foreign. Take for example the food processing industry. We have hardly touched the surface of the problem of having an efficient food processing industry. The gap between what our farmers receive from farm output and what consumers pay for it is abnormally high. We don't have a developed food processing industry and in the food processing industry, the dairy industry, the fruit-vegetable process industry. And as all these industries grow there shall be a process of development which will help agriculture and at the same time will help consumers without having to pay higher prices.

Then there are sunshine activities, the IT activities, the….industry, the automobile and automobile component industry. In all these industries, the sunrise industries of the future, there is enormous scope and we hope the private sector will take full advantage of the opportunities that are there on the horizon. Infrastructure is a big problem in our country. We have to improve our infrastructure.

We need massive doses of investment in the power sector, in the telecommunications sector, in the road sector, in the boats and shipping sector, and there we feel we need a new approach, a mix of public-private partnership where we can raise resources and also bring in the management inputs of the private sector in the service of managing our infrastructure. We need to create an environment in which private investment, both domestic and foreign, in infrastructure and other sunrise industries will find a profitable outlet. We hope that if we can raise our investment rate by 2-3% that itself should get extra mileage in terms of the growth rate of the economy.

I also believe there is very considerable scope for improving efficiency of resource use so more competition internally and more competition externally will force enterprises to manage resources at their disposal much more efficiently. Now the deregulation that we have seen in the last few years has very substantially raised the productivity of resource use in many sectors of our industrial economy. Productivity growth in the last 10 years has gone up but I don't think we have reached the ultimate, so there's considerable elbow room to raise productivity. So we will walk on two legs to realize our growth ambition, higher investment, creating an environment conducive to more private investment, creating an environment where there will increasing scope for public-private sector participation in infrastructure and also creating an environment in which there will be greater incentive for our enterprises to use resources much more efficiently, much more economically.

WSJ: What steps do you envision to encourage more foreign investment?

Prime Minister Singh: India is now an open book. When I talk to various foreign enterprises, they complain about infrastructure deficiency, they complain about the rigidities introduced by bureaucratic procedures, they talk about corruption. Now I'm saying that these are not bottlenecks.

In so far as they are the bottleneck, we will lay out a path which will convince all potential investors, domestic and foreign, that our government is very serious in addressing problems of infrastructure deficiency, our government is very serious in addressing problems arising out of excessive bureaucratic overhang on production process, our government will work honestly to reduce the scope of our discretionary elements, whether they tax policies, whether they are non-tax policies, which give scope for corruption in the public sector. There is no simple, mechanical answer.

But I think in the next one or two years we must send out signals that the infrastructure management is a top priority for our government. I have just now set up a high powered committee of my ministers and colleagues on the management of infrastructure which I will be sharing myself. We will tackle these problems with all the energy at our disposal.

WSJ: What are your plans for reenergizing agriculture?

Prime Minister Singh: First of all, agriculture has not received the investment resources that it needs. Agriculture accounts for 25% of our GDP, but in recent years, particularly in the last five years, the rate of growth of agriculture has declined sharply. That's a matter of concern. In part it is because agriculture is not getting the resources it needs commensurate with its importance in our national economy. There are limitations on the public sector, but even then public investment in irrigation is a must. We will expand public sector involvement in irrigation. But also our agriculture now has reached a technological plateau.

We need a second green revolution, making use of modern advances in biotechnology and other frontier technologies to usher in a new phase of expansion, a new frontier as it were in the agriculture possibility curve. For that we need to revitalize India's research agricultural system, India's extension system, India's credit system. The more we commercialize our agriculture, the more our farmers need access to commercial inputs and that was a modernization of our agriculture credit system.

In recent years, agricultural credit has not grown because of the problems of various bottlenecks. We will address these bottlenecks effectively. Also we will create new marketing opportunities. There are other rigidities because of the whole marketing regimes set up in the 1930s which

prevent our farmers from selling their produce where they get the highest rate of return.

It is our intention to remove all those handicaps which come in the way of India realizing its vast potential as one large common market. So whatever market imperfections come in the way of enhanced agriculture production and agricultural productivity…and agricultural research and agricultural extension so that we can bring in the benefits of modern biotechnology and other frontier technology…plus increase emphasis on irrigation. These are by and large the broad parameters of giving a new thrust on agriculture development.

WSJ: How do you both increase efficiency and keep people on farms?

Prime Minister Singh: At least in the short term, there is very considerable scope for increased absorption of increased labor power in agriculture. We have to be careful of a premature migration of excessive number of people outside agriculture into urban areas can create urban chaos and rise to serious social and urban chaos that leads to serious social and urban unrest. Therefore this whole process has to be a controlled process.

But my own feeling is that in agriculture crops like paddy and others, particularly in eastern Indian, where there is considerable scope for increased productivity, given the cropping pattern there is still very substantial scope for increased absorption for labor in agriculture. But the experience of states like Punjab where the agriculture revolution took place in the first place also shows that while the direct requirement for labor in agriculture will decline there are many off form opportunities in and around the rural areas that can provide substantial forms of livelihood. For example, construction activities.

If agriculture becomes more prosperous and farmers invest in farmer implements, farmers invest in better housing, rural electrification comes about and that creates new opportunities for off form enterprises. Therefore in the short term at least there will be increased emphasis on off form rural enterprises. These are decentralized enterprises and there is very considerable scope of absorbing the surplus manpower released from agriculture to these activities. In this we avoid a premature rush of population to metropolitan areas and ensure that new jobs can be created around the rural areas without too much investment in overhead capital. But in the

long run you are very right all over the world the experience is that an agricultural revolution invariably involves an exodus of people.

To that the only answer is that we must persist with rapid industrialization and that industrialization must be labor friendly, labor intensive, must at the same time be environment friendly that it does it not lead to a deterioration of the environment where the erosion of natural support systems, air, water and earth, negatively affects the future of millions and millions of subsistence farmers.

WSJ: On foreign investment, do you envision making any changes in ownership limitations on banks, insurance companies and property?

Prime Minister Singh: As far as the insurance sector is concerned, the insurance industry is open to foreign investment in the sense that up to 26% of the shared capital can be owned by the foreign investors. It is our intention to raise that proportion to 49%. We have announced that in the recent budget. But that is subject to parliamentary ratification because the law relating to the insurance sector will have to be passed in parliament.

There are some problems here. We are a coalition government and some of our coalition partners are not on board. We have to carry conviction to them. It is my hope that we can over a period of time evolve a broad consensus to move forward. With regard to other sectors, we have today I think the bulk of Indian industry is open to foreign investment on the basis of foreign majority ownership.

So foreigners can acquire more than 51% of the capital assets of any enterprise with the exception of a few. With regard to telecom sector, we have said can go up from 49 to 74%. This does not require parliamentary registration, but it does require getting all the coalition partners on board. There are some of our partners who feel this need not be done. It is my hope and expectation that this will be done before too long.

WSJ: Outsourcing has created tension in the U.S. How important is outsourcing to the continuing growth of India?

Prime Minister Singh: India has changed its policy toward opening up 180 degrees in the last 10, 12 years. We have embraced globalization. We have expanded the scope of competition from abroad. In many cases our applied tariff rates are much lower than we have accepted…We are all

committed reformers. We are opening up our economy. We want our economy to be increasingly integrated into the global economy. It would be tragic at the very time when developing countries like ours wanting to take all the hard decisions which are required to integrate them into the evolving world economy that developed countries should become protectionist. That would be a sad day.

I don't know the debate in the United States, but as far as I know common sense tells me comparative advantage is the very basis of mutually profitable trade. Outsourcing is not a new phenomenon. Outsourcing in the matters relating to matters relating to manufacturing is what encouraged the growth of many of the economies of Southeast Asia. And the United States provided magnificent outlet for the products of those industries. The United States benefited and the Southeast Asian countries were also able to transform. As far as I can see outsourcing in services is a logical extension of the processes of globalization and I don't think that it's a zero sum game.

Our enterprises benefit, but I do also believe that the United States industry also benefit. One must not question what particular jobs are being taken away by outsourcing to Bangalore, you must also ask this question: If the U.S. companies that are outsourcing business, if they did not have access to more efficient solutions, lower cost outsourcing operations made possible by access to Bangalore then many of these industries in the U.S. would be faced with intolerable competition. Their survival itself is made possible because they can have access to outsourcing processes in India.

So, as I say it is a mutually beneficial operation. And what is more is India is not a mercantilist country. When we export more by way of goods and services, we spend nearly the whole amount by way of increased inputs. We are capital importing country. We don't want trade surplus or large reserve accumulation, so there should be no fear that providing markets for market outsourcing will necessarily hurt the profits of developed countries.

WSJ: Could increased spending lead to increased deficits which will increase inflation domestically?

Prime Minister Singh: Honestly domestic inflation arising as a result of increased spending on agriculture is not right now a big concern. We have in our country very sizeable food reserves. We have a foreign exchange reserve stock of about $120 billion. If we are able to convert that increased

spending into a larger import surplus there is no basis for the fear that increased spending of the type that I have in mind would lead to any bout of inflation.

In our country, food prices are the kingpin of the price structure. So long as our agriculture does well, so long as we have ample stocks of food grain, so long as we have foreign exchange to import food grains when there's a deficient market, I think we can control inflation. I have no reason to doubt about our ability to contain inflation despite increased spending. But I have worries about this situation: Overall the fiscal deficits of the center and the states of about 9-10% GDP are very high.

I think the burden of debt and particularly the internal debt is a serious problem. It will affect in the years to come the capacity of the public sector to spend more. But in the short run I have no doubt that inflation is one problem which can be licked considering the availability we have of ample food stock and foreign exchange reserves, which are by normal definition excessive to our needs.

WSJ: What role will India play in the World Trade Organization in terms of bringing other developing countries to accept free trade in agriculture?

Prime Minister Singh: Unfortunately, the international trading system does not practice what we are taught in textbooks. In textbooks we are all taught that free trade is beneficial for everybody. But when it comes to trade negotiations, reciprocity is the norm. This is reflection of the world we live in. But as general proposition, I would say that a strong rule based, multilateral, nondiscriminatory trading system is in the interest of our countries.

We need a rule based, strong, multilateral, nondiscriminatory system. This is the best protection that we have against the rule of might is right in international relations. I do recognize that international economic relations also operate to a point by power relations. But a rule based multilateral system is the best guarantee for poor countries that arm twisting to kept within reasonable control so we will work together with like minded people to ensure that the Doha round of trade negotiations does succeed, that the world community will live up to the promises that have been made that this round will be truly a developing round. So long as that focus is kept India

will contribute its share, India will work together with like minded countries to promote a successful outcome of the Doha round.

WSJ: You are meeting later this week with President Musharraf of Pakistan. What are you thinking that meeting will produce and what are your objectives with Pakistan?

Prime Minister Singh: As far as meeting President Musharraf is concerned, it's an essay in mutual comprehension. This will be the first time I will have a serious meeting President Musharraf. I did have the privilege of calling on him when he came to Delhi in 2001 before the Agra summit, but that was merely a courtesy meeting.

I'm very sincere in our desire to normalize relations with Pakistan. There are immense possibilities of expanding areas of cooperation between our two countries. The trade flows are much too small compared to what is possible. We can cooperate in several fields like energy. We can cooperate in areas relating to the management of water resources, learning from each other's experiences in development process. Of course, Pakistan's point of view has been that these processes can not move forward until the core issue of Jammu and Kashmir can be resolved.

Our effort is to convince Pakistan that we are willing to discuss all outstanding issues including all the issues, including Jammu and Kashmir, so that our relations can be normalized, that this burden of the last 55 years of strive and animosity can become a thing of the past. We will approach this task of negotiations with Pakistan with all the sincerity that they reserve.

WSJ: Might you have some new offers on the table about how to address Kashmir?

Prime Minister Singh: I'm sorry, this is much too early. I would like to know from President Musharraf what options he has in mind. Because he has been saying that there are proposals that are unacceptable to India let us rule them out. There are proposals that are unacceptable to Pakistan let us rule them out. I would like to know from him for example what options he considers are realistic, are feasible, are consistent with the ground realities. I would like to have a meaningful discussion with him on all these issues.

WSJ: Is there any role in these talks for the U.S.?

Prime Minister Singh: We believe a similar agreement requires both our countries to work together to resolve all outstanding bilateral issues and we believe that's the right way to go about it.

WSJ: What are India's important outstanding issues with the U.S.?

Prime Minister Singh: Fortunately, there are no serious bilateral issues between our two countries. Only this week we have moved forward in promotion of trade in high technology areas, the civilian space industry, the civilian nuclear industry and missile defense. In January 2004, Prime Minister Vajpayee had issued a statement committing our two countries to the next step in strategic partnership. Various stages have been resolved.

The first stage has been completed and as a result of that some Indian entities like ISRO that have been subject to restrictions under U.S. export controls and those restrictions will be lifted and I do believe that will help the growth of trade, the transfer of technology. So I don't see there are any major irritants in our relations and I look forward to a steady improvement in our relations.

Our relations are a multifaceted relationship. There is the 2 million people of Indian origin in the United States. They are a powerful link between our two countries. I do believe there are enormous unexplored possibilities of expanding trade, investment flows, technology flows between our two countries. It is my intention to create a favorable environment in which the latent unexploited potential can be fully utilized.

WSJ: How do you see future cooperation with the U.S. in ballistic missile defense?

Prime Minister Singh: There is the problem of some our entities being on the restricted list and they're not able to access technologies and inputs which they require. It is our attention to work out a cooperative arrangement under which these restrictions can be relaxed.

WSJ: One of the sources of tension in the world now is the drive for power by various Islamic groups. India has a lot of experience in dealing with these issues.

Do you have suggestions of how to allow Islamic peoples to realize their important aspirations and reverse that trend toward violence?

Prime Minister Singh: We are country of great diversity. All the major religions of the world are represented in our population. We have 150 million Muslims. There's a larger Muslim population in India than in Pakistan. It is remarkable that despite the upsurge in the Islamic world and many middle class people joining Al Qaeda and other terrorist activities, our population has eschewed that sort of part. There is no evidence that Indian Muslims have been attracted to these extremist ideologies.

I think the world should move toward reconciliation. There is no use painting all Islamic countries, or Islamic people, as obnoxious, as villains of the peace. The challenge of our time is not to go further down the road to the thesis that goes by the name of 'clash of civilizations.' As we see it, this is an opportune time to have greater emphasis in place on the dialogue of civilizations than to go that route that can only lead to a long period of conflict.

I do believe we do have some lessons for the rest of the world. We are a multiracial, multiethnic, multi-religious country. Lots of people used to say that democracy is luxury and cannot survive in this sort of environment. But the last 55 years we have persisted in this effort to emerge as a democracy committed to the rule of law, committed to the full respect for fundamental human rights. We have shown to the world that this possible. We believe that what we have achieved all societies of the future in this globalize world will be a replica of Indian society. With the evolution in transport and communication with the increased movement of people from one region to another, from one country to another, I think most societies of the future will be multicultural, multiethnic, multi-religious, and therefore the way we are trying to manage this diversity in our country has important lessons for the future of managing some of these tensions which arise in all in all multiethnic, multi-religious societies.

WSJ: When militants become more militant does it become harder for moderates to remain moderate?

Prime Minister Singh: We have faced terrorism for the past 15, 16 years. We have tried to live with it, we have tried to live with it without sacrificing fundamental human freedoms while remaining a functioning democracy committed to the rule of law with respect for all fundamental human rights. But it is not always easy.

We are today trying to engage all disaffected groups in Jammu and Kashmir to come and have a dialogue with us. I think most people want to come have a dialogue with us. But there is the extremist pressure of guns. Those who want to talk to us are intimidated, they are terrorized, their relatives are killed, they are killed, their houses are burned. So there is always this tension. This is not an easy path, but I think the important things is we should not lose faith.

We have in previous governments passed some Draconian laws to deal with the terrorist menace which in many of our people's eyes violated fundamental human rights. We as a government have taken a decision to repeal those decisions and we feel it should be our sincere effort to deal with terrorist menace in a civilized way. Whether that effort can succeed or not only time can tell.

WSJ: Are you troubled by the tensions between Europe and Turkey and the way U.S. depicts Islam?

Prime Minister Singh: I would certainly hope the recent events would not give rise to a clash of civilizations between Islam and the rest of the world. I do also believe that Turkey if it abides by all the norms applicable to members of the European community, that it should become a democracy, that it should have a system which is broadly in line with the system that prevailed, and if Turkey still not considered eligible for membership for the EU because it is a Muslim country that would certainly send a very wrong signal.

WSJ: How do you see the prospects for India's relations with China?

Prime Minister Singh: India's economic relations with China are moving in a very satisfactory manner. The two way flow of our trade has increased substantially and it is now has high as $8 billion. Both of us feel there is tremendous unexploited potential. Many Indian corporations are now establishing joint ventures in China. There is of course the age old problem of the boundary dispute. Both of our governments have committed our two countries to work together to work out a new framework for the resolution of the boundary problem from the larger perspective from our political relations.

Our government is committed to carrying forward that process. We have appointed a special representative. Our two representatives have met

after our government came to office to discuss this question. They'll be meeting again. It is our hope that out of that dialogue some positive results can come to resolve even the ticklish boundary disputes. So our relations with China are moving in the right direction.

WSJ: Both China and India are important factors in world oil markets. How will countries like India cope with higher oil prices and what should it do for the longer term?

Prime Minister Singh: I have seen yesterday a long article in the Wall Street Journal. There are people who believe that oil prices will rise very steeply in the years to come…There are others who believe that all crackpot. One should not underestimate the influence of modern technologies in throwing up new options, new alternatives. I think its better in these matters to act on precautionary principles.

My own feeling that the rest of the world should make adequate investments in alternative sources of energy, renewable sources of energy, and even atomic energy with proper safeguards. Countries like France and countries like Japan have shown for example that it can lead to substantial increases in supplies. So I think those options should be explored. But energy efficiencies, proper pricing of scare energy resources, I do believe that should go hand in hand with discovery of new reserves.

WSJ: What do you envision as the future of cars and roads in India?

Prime Minister Singh: Private ownership of cars has expanded in a big way in the last decade. The automobile industry is a big generator of new jobs. Therefore I don't think we can reverse that process. But it is equally necessary not to get into the phenomenon of congestion and all the problems associated with it.

I think a lot more investment will have to go in roads. We are committed to very large investment in state highways, state highways, village highways because apart from the fact that it will stimulate more use of automobiles without leading to congestion. The opening up of the interior of the countryside through a better road work will also stimulate economic activity and quick transport of agriculture produce from villages to cities without too much cost. We are committed to investing very substantial resources in roads in any way. Also we need investment in roads to exploit the vast latent tourism potential of our country.

I've always believed that countries like India have much more to offer the tourist than Thailand and many other countries of the world. But it is because we don't have an efficient roadwork, because people are afraid about the non-availability of safe drinking water and many other concerns, we have not attracted the number of tourists that is our legitimate due. If roads, basic sanitation, water supply and health care facilities receive the due emphasis as we propose to give them, among other things it will create a lot more jobs through the instrumentality of the tourist industry.

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038. Speech of Prime Minister Manmohan Singh at a meeting with Indian American CEOs.

New York, September 23, 2004.

"It gives me great pleasure to speak to a gathering of Indians and the Indian American community here on my first visit to the United States as Prime Minister.

I have long recognized that the Indian community in the United States is a very unique bridge between our two countries. I was delighted that President Bush shared this view when we met a couple of days ago. In American history, no group of immigrants have achieved as much success and respect within the span of one generation, that too the very first, as have Indian Americans. You play a role in US society and economy far beyond what may have been expected given the size of the community and its relatively recent arrival here. Your skills help to make America competitive, your minds are at the cutting edge of research, your services in a wide variety of professions enhance the quality of life in this country. Increasingly, your entrepreneurship has assumed a sharper profile in the American corporate world.

I am delighted to learn that Indian Americans are now also active in creative fields ranging from media to cinema. You have all earned for yourself an enviable reputation for diligence, for creativity, for enterprise, for commitment to the core values of democracy and pluralism that bind our Nations together. This has enabled you to shape favourably the larger

American perception of India, among your colleagues at work, your neighbours in your communities and your elected representatives.

Emigrants have come to the shores of America for over half a millennia. Some have come in search of adventure, some in search of treasure, some escaped persecution and some others escaped hardship and deprivation. The Indian American community is again unique in this regard for most of you have come here in search of knowledge, skills, training and professional opportunity. You arrived here not just with hope, but with purpose and this has shaped the nature of your contribution to this great land of enterprise and opportunity.

The psyche of the migrant is a complex one. I understand and appreciate this, having myself migrated from the place of my birth under difficult circumstances and in times of strife. As migrants in search of a home and a living, my family and families like mine had to work that much harder. We had to have faith in the future, for the past was bleak and our present was trying. This was true of many migrant communities in the United States also. However, you, Ladies and Gentlemen, have succeeded here thanks to the foundation in education and skills your home country gave you, and the opportunities for further development your host country has given you. It is, for this reason, that I have always been impressed by the optimism that characterizes the psyche of the Indian American. You have echoed the "Can Do" spirit of the American people. It is also for this reason that you continue to look back at your home country, at India, with love, affection and longing; albeit with an understandable degree of impatience!

I feel particularly happy that the economic policies we initiated at home in the past decade have enabled us to reconnect with you more positively and re-engage you in meaningful ways in the reconstruction of our Motherland. The benign impact of these new economic policies has been supplemented by the new technologies that have contributed to the intimacy and immediacy of inter-continental contact.

When the first wave of migrants came to the shores of the United States they hardly ever went back to their home countries. When the first generation of Indians came to the US over a half-century ago travel was still largely by sea and contact with friends and relatives at home was still limited and cumbersome. According to one study the single largest item of monthly expenditure for Indians who had come to live here in the US in the

1970s and even into the 1980s was the phone bill for calls made home. So it is not surprising that an innovation like Hotmail, the free e-mail facility, was first thought up by an Indian American, Sabeer Bhatia! Millions of families in India and across the world must be grateful to him for having contributed to the creation of a global cyber-community, bringing People of Indian Origin closer to India.

It is this spirit of enterprise and adventure that I want you to inject back into India and I am here to ensure you that our Government is fully committed to the pursuit of such policies that enable this two-way flow of ideas and opportunities. I have always shared the view long expressed by my friend Jagdish Bhagwati, of Columbia University, that the migration of talent like yours does not necessarily constitute a "Brain Drain" but can in fact help create a "Brain Bank" from which we can draw provided we put in place at home the required policies and infrastructure. It will be our sincere endeavor to pursue such policies and programmes at home that will in fact enable a more productive and creative engagement between you and us, between the United States and India.

I am aware of the fact that even from this distance you still do remain concerned about the welfare and prosperity of our people. I would like to assure you that our Government is committed to taking forward the programme of reform and liberalization we initiated over a decade ago. What we must appreciate, however, is that the reforms we need to re-invigorate our economy and unleash the "animal spirits" of our entrepreneurs and the creative potential of our professionals, also involve a transformation of our society and a change of mindset. Our accomplishments, although not meager, pale before what lies ahead. India needs to educate its young, ensure their health, provide every job-seeker reasonable hope, and improve the quality of life of its people. We must emerge as a competitive manufacturing power as well as a knowledge-driven economy. These aspirations are increasingly those of the common man. The message from the recent General Elections, we believe, was an affirmation of faith in the policies we initiated a decade ago but combined with an urgent plea for a more equitable and socially just development process. I am committed to that process and our Government will pursue policies that restore to India its rightful place in the comity of Nations. The accomplishments of Indians abroad convince me that the fault lies not in our individual capabilities but in our collective endeavors and in our institutional structures. I am committed

to a reform of the government, and to increased investment – domestic and foreign, private and public – in infrastructure, especially power, communications, airports and urban amenities.

Cities like Hyderabad and organizations like Infosys are already showing the rest of the country the way forward and setting the pace and direction of change. To be able to move at a faster pace we must ensure social and political stability, communal harmony and the fostering of a more inclusive economy and society. India and the United States have had a rich tradition of actively building a plural and liberal democracy. Open societies and free markets are but two sides of the same coin. They are kept in balance by their being inclusive, socially and economically.

With the exception of information technology and more recently the financial sector and management studies, the two way traffic in ideas between India and the Untied States has been limited and far below potential. There is no doubt that some of our policies and attitudes are in part to blame. However, there has also been inadequate initiative taken here in the US. I believe you can play an important role in bringing the knowledge economy in its wider scope in both countries closer. The recent agreements between the two countries relating to the first phase of the Next Steps In Strategic Partnership should help bridge this gap partly. We would also like to see closer interaction in the fields of research, higher education and the development of our infrastructure and financial sectors. People to people contacts are the real cement that bind our Nations together.

I urge you to join us and strengthen our hands in our attempt to build a stronger and more open economy that is also committed to the principles of democracy and pluralism. India and the United States are, in that sense, on the same side of history. We are both equally committed to rid the world of the threat of terrorism, that is both a threat to peace and security and a challenge to the way both our countries want our world to be. That is, a world of freedom and plurality, of inclusiveness and equity. You can play a unique and important role by being the developmental and intellectual bridge between our two great democracies. I invite you to participate in this creative adventure. I assure you that we are committed to taking the necessary policy steps that will enable you to be part of this process more actively."

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039. Address by Prime Minister Dr. Manmohan Singh to Indian Overseas Congress and other Indian organizations.

New York, September 24, 2004.

I am delighted to be here this evening with you and thank you for your warm and hearty welcome. You represent not only a wide cross-section of the Indian and Indian American community in the United States but also the true face of "India" – united in your diversity, committed to the principles of democratic pluralism and the freedom of association and enterprise that both India and the United States of America so cherish.

India and the Untied States are often described as the world's largest and biggest democracies bound together by our commitment to the values and principles of pluralism and liberalism. These phrases may sound hackneyed and worn out but today they have acquired a new resonance. Both President Bush and I agreed when we met earlier this week that our mutual commitment to democracy remains an important bridge linking our two countries.

This shared experience of growing up in a democracy is an important aspect of our collective psyche. We have learnt from our childhood to respect the rule of law and the right to hold and express one's opinion. We have learnt to value the freedom of association and enterprise. We have learnt to cherish the pluralism inherent to our multi-cultural, multi-religious, multi-linguistic and multi-ethnic nations.

You, Indian Americans and Overseas Indians, have set an example to many other communities and ethnic groups by the manner in which you have integrated here. You live in peace with your neighbours, you contribute to the prosperity of your communities, the productivity of your workplaces and the creativity of your academic, cultural and knowledge based organizations.

I am particularly delighted to be here this evening with you because in many ways you and the organizations that are assembled here represent the true character of our diverse and plural society. If there is one thing that is truly common between India and the United States of America it is this multi-faceted character of our national personality. Some call America a "melting pot" and others describe it as a "salad bowl". But then, this is exactly

the way in which we have come to define our nation. Pandit Jawaharlal Nehru talked of "Unity in Diversity". Our Constitution is based on this principle. Our national identity is based on this value. For centuries we have been an open society, a "melting pot" and a "salad bowl". There is no nation in the world that is home to as many languages, as many religions, as many cuisines, as many traditions of song and dance, as many colours of skin and shapes of the eye, as India.

You, my friends in the Indian Overseas Congress and other organizations here bring to this diverse nation the values and ideals of another diverse nation. It is this pluralism, and the liberalism that informs it, that my young friend Sunil Khilnani, now teaching at Johns Hopkins University, celebrated as the "Idea of India". The "Idea of India" is no different from the "Idea of America". Both capture in their essence the dominant "Idea of Our Era, Of Our Epoch". The idea of Unity In Diversity.

It is this idea that must define the way we approach the twin challenges of our times, namely, globalisation and terrorism. Both India and America are trying to deal with these global challenges in their own way. Our approach is based on our unswerving commitment to democracy and to pluralism. The economic processes of globalisation must respect the diversities that characterize our societies. The political response to terrorism also be based on our long cherished values of democracy and pluralism.

Speaking to another gathering of Indian Americans earlier this week here in New York, I had said that I empathise very much with the psyche of the immigrant because I was myself a migrant when my family moved from our ancestral village in what is now Pakistan. As migrants in search of a home and a living my family and families like mine had to work that much harder and have faith in the future, for the past was bleak and our present was trying. This was true of many migrant communities in the United States also.

However, you, Ladies and Gentlemen, have succeeded here thanks to the foundation in education and skills your home country gave you, and the opportunities for further development your host country has given you. It is, for this reason, that I have always been impressed by the optimism that characterizes the psyche of the Indian American. You have echoed the "Can Do" spirit of the American people. It is also for this reason that you continue to look back at your home country, at India, with love, affection

and longing; albeit with an understandable degree of impatience!

It is that “can do” spirit that takes so many Indian American kids to the top in “spelling bee” tests and Maths Olympiads. It’s the same spirit that took Kalpana Chawla into space, and that recently helped the Fijian Indian Vijay Singh dethrone Tiger Woods here in Boston! A pantheon of global Indians is in the making in areas ranging from art and cinema to computer science and biotechnology and one feels so reassured to know that so many of them have flowered here on the American soil. It is a tribute to this country, to these Indian families and to the spirit of India that lives in us all, wherever it is that we make our home and hearth.

Emigrants have come to the shores of American for over half a millennia. Some have come in search of adventure, some in search of treasure, some escaped persecution and some others escaped hardship and deprivation. The Indian American community is again unique in this regard for most of you have come here in search of knowledge, skills, training and professional opportunity. You arrived here not just with hope, but with purpose and this has shaped the nature of your contribution to this great land of enterprise and opportunity.

In American history, no group of immigrants have achieved as much success and respect within the span of one generation, that too the very first, as have Indian Americans. You play a role in US society and economy far beyond what may have been expected given the size of the community and its relatively recent arrival here. Your skills help to make America competitive, your minds are at the cutting edge of research, your services in a wide variety of professions enhance the quality of life in this country. Increasingly, your entrepreneurship has assumed a sharper profile in the American corporate world. I am delighted to learn that Indian Americans are now also active in creative fields ranging from media to cinema. My daughters are always thrilled to watch the movies of Mr. Shyamalan and Ms. Nair.

The Indian American community is but one example of globalization and what it can mean to our relationship. As barriers come down, our human resources could help shape the direction of global development. With right policies and decisions, India could emerge as a knowledge economy superpower. Outsourcing, call centres, Business Processing Outsourcing - these are just signs of what events portend. Each day, India is proving itself

a credible partner for American enterprises. Time and distance, handicaps of the past, have become advantage of our times.

You have all earned for yourself an enviable reputation for diligence, for creativity, for enterprise, for commitment to the core values of democracy and pluralism that bind our nations together. This has enabled you to shape favourably the larger American perception of India, among your colleagues at work, your neighbours in your communities and your elected representatives. I must express my sincere gratitude to you all on behalf of the people of India.

I am aware of the issues that engage you in your relations with India. Some of these, like the PIO card, have been addressed already and some, like duel citizenship, are being examined. Our government took the initiative to create a new Ministry for Overseas Indian Affairs to enable us to pay closer attention to the issues that bother you. As is always the case the creation of an entire new ministry has taken some time but I am sure once the ministry gets moving, it will get going.

I am aware that in reaching out to Indian Americans and Overseas Indians our governments in the past have more often than not focused too narrowly on inward investment into India. There is no doubt that this is an important way in which you can contribute to India's development. However, I would like to widen the scope of our appeal to you. I am aware that many of you are professionals and not businessmen and entrepreneurs and inward investment is not the only way in which one can contribute to a nation's progress. I would like to invite you to contribute to a nation's progress. I would like to invite you to contribute more directly to the quality of teaching and research, of infrastructure and our services sector.

I invite ideas on how you can directly contribute to making Indian education, health care, financial services, tourism and other services and sector world class. We are not talking here of just dollars, but of ideas, of individual initiative, of community action. On my part let me assure you that our government will approach this with an open mind and be receptive to any creative thinking. The Ministry of Overseas Indians will be the nodal point for all such interaction.

It is only chance that has made New York my first port of call as Prime Minister on my first visit to the United States. New York epitomized

"Unity in Diversity" in its response to the tragedy of September 11th, I pay my homage to the victims of mindless terror. We in India shared not just the pain of many Indians who were killed but of the American people and the people of the world who were touched one way or another by that tragedy. India and the United States are on the same side of history in this battle against terrorism. It is in the nature of our democracies that we expose ourselves to such threats. But when faced, we are determined not to let the threat weaken our resolve to remain open, free and democratic societies. We will take every measure that is necessary and lawful to wipe out terrorism, but we will remain equally committed to the fundamental principles of democracy. That, ultimately, is what defines the personality of both our nations.

I thank you again for this opportunity to speak to you. Jai Hind!

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040. Press conference of Prime Minister Dr. Manmohan Singh.

New York, September 24, 2004.

Thank you for coming this evening. I am happy to have this chance to share my impressions about this visit with you. I believe this has been a very productive visit and it was useful for me to start this person interaction with several important leaders – both in government and with leaders of industry and trade.

In my very brief halt in the UK, I had several substantive meetings. I met PM Blair and a joint statement that takes the India-UK partnership to a higher level – one of comprehensive strategic partnership was agreed and issued. This provides a basis for closer exchanges between our Governments – we envisage annual summit level interaction – and a regular and sustainable development, trade and economic co-operation, possible co-operation in India's nuclear energy programme and so forth. You all heard PM Blair's very categorical remarks about the UK supporting India's candidature for a permanent seat on the UN Security Council. Mr. Blair also told me that he is intent on finding ways for a closer association between the G-8 and India (and China).

In the UK I met an impression group of CEOs, economic writers and analysts, in an interactive session in which we addressed all their concerns about economic reforms. To my mind there should be no doubt at all about the fact that the economic reforms are going to continue and that this is a process which is irreversible. However, if there are concerns about this in people's minds, I am happy to engage and tell them about our intentions. I believe I was able to do so in my meetings in the UK.

Since my arrival here in New York there have been several equally important meetings and events that I would like to recall about briefly. My visit here was essentially for me to participate in the General Debate in the UNGA. As you know I did so yesterday. The broad themes, that I emphasised were India's commitment to multilateralism and to its embodiment – the UN, the process of UN reform – to enable the body to refashion itself to become relevant to our times and in relation to this I laid out the reasons why I believe India should be a permanent member of the UN Security Council. I underlined our willingness to take on all the obligations and responsibilities that befit our standing and role in the world community.

I want to underline the importance of a meeting that Prime Minister Koizumi had arranged which I attended, along with President Lula of Brazil and Deputy Prime Minister Fischer of Germany. This G-4 meeting was a very significant statement of intent by our four countries to participate in the UN reform process on the basis of a mutual understanding to support each other for permanent membership of the Security Council. We cannot of course determine the outcome of this process but we shall stay engaged.

I had a useful meeting with the UN Secretary General Kofi Annan in which we discussed the UN reform process and I stressed the importance of this being carried forward in a purposeful way.

On the bilateral side, my meeting with President Bush on September 21 was a very important event in my programme here. He has made a personal contribution to strengthening India-US relations and I appreciate his meeting me in the midst of his election preoccupations. I conveyed to him our interest in strengthening our relationship, particularly its strategic dimension. The conclusion of Phase I of NSSP just prior to our meeting underlined this message.

While our discussions covered many issues, the most important were

our common commitment to combat terrorism, WMD proliferation and related global threats. My endeavour which I believe is reciprocated fully by President Bush, is to build a partnership of co-operation and trust between our two countries. By doing so, I believe that we would realize the enormous potential of our bilateral ties while working together to make the world a better place.

Our conviction that there are new opportunities to strengthen our economic relationship was reflected in my meeting with American CEOs at the New York Stock Exchange. As you are all aware, I saw in it an opportunity to emphasise India's credentials as a very attractive investment destination. My discussions with India-American CEOs yesterday were also very productive in terms of ideas to give a more positive orientation to our plans for reform and growth. I sought to take advantage of their experience and creativity to address issues facing us today in India. I proposed that they should establish a group which could make recommendations on what we should do to achieve our objective of FDI inflows of $10 billion annually.

Our thinking on the fundamentals of India-US partnership also found expression in my address to the Council of Foreign Relations. The special role that the Indian community in this country plays as a bridge was recognized in my meetings with them. I also met the leaders of the American Jewish Community as they have been particularly supportive of our interests.

Other than these, on the margins of the UNGA, an expression that I find my officials are being fond of – I met President Hamid Karzai of Afghanistan and underlined to him our support for the presidential elections that are to take place early next month, and to Afghanistan's development and reconstruction.

I also had the pleasure of meeting President Thabo Mbeki of South Africa. Our President was in South Africa just last week as you know. I took this opportunity meeting President Mbeki to explore common ground in our worldviews, in particular, on UN reform.

Earlier today, I had a meeting with President Musharraf. I have already spoken about. Suffice to say that we both agreed that dialogue is the only way forward to find a solution to the outstanding issues between us. India is completely sincere about finding solutions that will let us put the unhappy past behind. We have both agreed on this approach.

As I said, I am satisfied with the outcome of my visit. India's views and interests were projected on all my meetings and I perceived a very high degree of receptivity in all my interaction – that India's position is central to addressing major issues of the day.

I shall be happy to answer your questions.

Question (Mr. Vir Sanghvi): Mr. Prime Minister, you have said on your way here that you were treating this trip as a voyage of discovery. You have had two important bilateral meetings - with President Bush and with General Musharraf. From our perspective, at least from the outside, both seem to have gone extremely well. Can you tell us, Sir, in your own words what your impressions were, what you think was achieved, and what you think remains to be done?

Prime Minister: As far as my meeting with President Bush is concerned, it was essentially a meeting to review the state of Indo-US relations. Both of us felt that these relations were in excellent shape. But we also agreed that we cannot be satisfied with the status quo. When I used the words that the best is yet to come, the President in the presence of all the newspapermen and the cameramen said that he agreed with that. That is the measure of agreement between us. We reviewed also what is happening in our subcontinent. I gave the President an account of the efforts that we were making to normalize our relations with Pakistan in various meetings at the Foreign Ministers' level, Foreign Secretaries' level and other Experts Group level that have been held. The President expressed satisfaction at the progress that was being made. We also discussed the situation in Afghanistan, situation in Nepal, and Sri Lanka as well.

With regard to my meeting with President Musharraf, you have the Joint Statement that we have issued. I think it is a significant step forward. In many ways it represents a new beginning. It commits our two countries to advance beyond what was agreed to in the January 6 statement both in terms of discussing confidence-building measures as well as in moving to discuss complex issues relating to the State of Jammu and Kashmir.

Question (Mr. Aziz Hanifa, *India Abroad*): Mr. Prime Minister, obviously the centrepiece of your discussions with President Bush was the satisfaction over the implementation of Phase-I of the NSSP. Given one of your favourite quotes that the proof of the pudding is in its eating, what tangibles can we

expect from the formalisation of Phase-I? Why I ask you is after almost a limbo and status quo of two years, there has been this movement and critics could argue that it is for political expediency advantageous to both sides. Of course, your predecessor Government had done all the spadework for this to move along.

Prime Minister: As far as the Next Step in Strategic Partnership is concerned there have been, ever since our Government came into power, intensive discussions between the two Governments. The fact that the first Phase has been accomplished means that some of our important entities like ISRO will be off the restricted embargo lists. That certainly is a new beginning in the promotion of flows of high technology to our country[1].

Question (Mr. Vishwa Bandhu Gupta): Talking about the confidence-building measures, General Pervez Musharraf had kindly agreed to my invitation to fly in a hot air balloon with the Indian Prime Minister. This was

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1. Soon reports appeared in the media that the US had imposed fresh sanctions against two Indian scientists - Shri C. Surender and Dr. YSR Rrasad. The Official Spokesperson of the MEA Navtej Sarna when asked about this development at his press briefing on October 1, 2004 in New Delhi, said: "Yes, the Government is aware of the matter. This case which pertains to individuals has been discussed with the US side and it has been conveyed that we do not share the US assessment. Indeed one of the individual named Shri C. Surendar has never visited Iran while in service or post-retirement. Dr. YSR Prasad initially visited Iran under the aegis of the IAEA Technical Cooperation Programme. Thereafter, he provided consultancy on safety related aspects connected with the Bushehr Nuclear Power Plant which is under IAEA safeguards. He has not visited Iran since mid-2003. No sale of materials, equipment and technologies was involved. No transfer of sensitive technology has taken place. Government of India's commitment to prevent onward proliferation is second to none and our track record in this regard is well-known. US government has been requested to review the issue and to withdraw the sanctions imposed."

Question: On the issue of other ISRO branches being on the list, how does it marry with the Next Step in Strategic Partnership, when at one level we are talking about technology transfer?

Answer: You know that NSSP has been agreed to. The Phase - I has been agreed to and that is indeed a very welcome development in bilateral relations. On this other issue, I would not like to mingle the two. I have stated our position and we have asked for the US Government to review its position.

Question: When did we take it up

Answer: This was taken up at several levels in the last few days.

Question: Was there awareness about the sanctions that were going to be imposed on these two scientists?

Answer: I do not know what you mean by whether Government of India was aware of it or not. As I said one of the scientists has not been to Iran and one has been to Iran under certain propgramme of the IAEA. Thereafter, this decision has been announced and then we have taken action.

Question: All these issues of technical cooperation are being talked about at such high levels; did the US Government inform us in advance that these people are likely to be…

Answer: I have no information.

not possible with Mr. Vajpayee because of his situation. Would you kindly accept in his place this offer?

Prime Minister : I do not know all the risks that are associated with it but I will certainly consider it.

Question (Mr. Chidanand Rajghatta, *The Times of India*): Can you tell us how the figure $ 150 billion, which we have been identifying as the foreign investment needed, was arrived at? And why at an even rate of $ 15 billion a year? Could you also address the opposition curiosity on foreign investment where some members of your own party are opposing it?

Prime Minister: I think the $ 150 billion figure is the figure which is based on various estimates of the amount that we need to invest in power sector, the amount that we need to invest in other sectors like energy, roads, ports, airports etc. This is roughly the sum we need to invest in the next five to seven years.

There is no opposition from our party. Our party's stand, and our coalition Government's stand on this is reflected in the Common Minimum Programme. The Common Minimum Programme says that India needs foreign investment, India welcomes foreign direct investment more than twice or thrice the level that we are getting now. So, there is no question of opposition from our party or opposition from our coalition partners.

Question (Mr. Debashish Divya Bose): In the context of an upbeat mood with your talks with Pervez Musharraf, what more importantly the leaders have got to the negotiating table besides concentrating on the CBMs?

Prime Minister: We said we are committed to discuss all elements which figure in the Composite Dialogue. It is our hope and expectation that we will be making progress in all these matters.

Question (Ms. Jyoti Malhotra, The indian Express): Mr. Prime Minister, just a follow up question. There are some reports that Congress party members back home in India have been critical of the fact that reform is one of the central themes of your visit here. You have been described as a "Salesman". Also, Mr. Jyoti Basu has been very critical of the reforms pitch. Do you have a comment on that?

Prime Minister: I am here certainly to sell India, to explain to the rest of the

world of what India is doing. The rest of the world knows that the bulk of resources for India's development have always been mobilized domestically and will continue to be mobilized domestically. But at the margin there is scope to involve the world community in supporting our development. As Prime Minister, it is my duty and obligation that whenever I come abroad I should seek to promote India. So, I am privileged that I have been given that role. I do not see there is anything wrong in what I have said and what I have done or for that matter Jyoti babu can.

Before I came here, I had a very good meeting with Jyoti babu, with Comrades Surjeet and Sitaram Yechury. I told them clearly that this is what I am going to say. I said to them I am going to tell the world community that India needs foreign direct investment, and that we will seek to create in our country a climate, an atmosphere, an environment conducive to the greater flow of direct investment. On that there was complete agreement between us. That is not a point which divides various members of our coalition. As I said, the Common Minimum Programme's language is reflective of where the coalition partners stand.

Question (Mr. Parasuraman, *Press Trust of India):* From your talks with President Bush are you not satisfied that India's fight against terrorism in the last two years, in which casualties are much more than what the US has suffered, is now regarded as a seamless fight against global terrorism and India's fight is as important as the US's fight against terrorism?

Prime Minister : I mentioned to President Bush that as far as fight against terrorism is concerned we are fully on board, and we would welcome all efforts - bilateral, regional, and multilateral - to deal with this grave menace to the cause of the human civilization. On that there was no disagreement between President Bush and me.

Question (Mr. L. K. Sharma): Dr. Sahab, taking advantage of your past kindness to the media, may I ask a two-part question? One is about foreign policy, and one is about the domestic policy.

From the UN Address which you gave, it appears that we are kind of returning to the glorious Nehruvian days which highlights the conceptual difference between our viewpoint and our world view and the US' world view. Simultaneously you are also claiming that our relations are growing. How do you intend to bridge this gap, either by making India a more

pragmatic country or making US a more idealistic country? That is number one.

Number two is about the domestic policy. Your team is overflowing with economists, distinguished or extinguished as you say sometimes. The challenge which is before us apart from poverty, according to many people, is of social harmony and social cohesion which has a strong implication for economic development, which has a strong implication for national security. Do you have anthropologists and sociologists in your team? How do you get inputs for that?

Prime Minister : Let me answer your second question first. We are trying to reach out to all segments of public opinion in our country so that their input becomes available to us to devise and implement as inclusive an economic and social agenda as is feasible. The Congress President Shrimati Sonia Gandhi heads the National Advisory Council in which we have assembled some of the most active social workers, social activists, who have provided us all these last four years valuable inputs with regard to many of the social programmes, including programmes relating to the theme of education and employment promotion. So, it will be our effort to enlarge the circle of consultants whom we associate with the process of our development. We do not believe that we in the Government have the monopoly over wisdom, knowledge and experience. Therefore, we want to run a Government which is open to the winds of change blowing from diverse directions. It is my hope that we can enlist the maximum possible cooperation of all thinking segments of our society.

With regard to your first question, the United States is a global power. They have their global interests. I do not expect that their interests and our interests will coincide all the time. But I do feel that there are areas where there is a growing scope for convergence and it will be our effort to lay emphasis on both areas where we can do business, where we can work together. At the same time where we have difference of opinion we will, as a self-respecting country, put forward the point of view that we feel ought to be put forward that is in the interest of our country and that is in the interest of other developing countries.

Question (Mr. Raghubir, *India Globe and Asia Today*): Mr. Prime Minister, first of all you have already become a household name throughout India and all over the world. Tomorrow is your birthday. In advance, Happy Birthday and all the best for your long life and good health.

Prime Minister: Thank you.

Question : My question, Mr. Prime Minister, is, what NRIs can expect from you being an economist. There are many NRIs who want to invest in India and outside. What can you expect from them?

Prime Minister : We need the Non-Resident Indian community's support to make a success of this great experiment that you have learnt of building a new India free from fear of want and exploitation and trying to achieve its objectives in the framework of an open society, a democratic polity, a polity committed to the rule of law and respect for fundamental human freedoms. There are more than one ways in which the non-resident community can help us apart from investment. We have large amount of investment by way of bank deposits from our non-resident community. We would like them to be more actively involved in promoting direct investment. But even when they are not investing in India, we would look upon them as our brain bank. In the United States the influential Indian community, people of Indian origin, we look upon them as brain banks explaining our point of view to the American legislators and to the other people who matter in the American public life. So, the sky is the limit. We welcome the involvement of all non-resident Indians in our development.

Question (Mr. Akshay Raut, *All India Radio*): Prime Minister Sahab, you have had your first formal meeting with Pakistan President Pervez Musharraf. How did you find him? What impressions of the General will you carry to your next meeting?

Prime Minister : I had a one-to-one meeting with President Musharraf. We had a very frank, and I would say, an easy flow of conversation. There never was a dull moment in that one hour that I was with the President. He spoke with very great sincerity about his desire to improve relations between our countries. He also told me that he is grossly misunderstood in India and in many other countries, that he is wrongly regarded as a unifocal person. All that he said was that he wants progress to be made on all elements of the Composite Dialogue. To that, I said I entirely endorse that. I think we have made progress.

Question (Mr. Nayar, *The Telegraph*): Day before yesterday at the New York Stock Exchange, you spoke like Narasimha Rao's Finance Minister. Yesterday at the UN, most of the time you spoke like the Secretary-General

of the South Commission. To those of us with a lot of gray hair who have been following your career over the decades, which of these two Manmohan Singh's is the real Manmohan Singh? If you say both, is it possible at this point of history to combine the two?

Prime Minister : When I was addressing the New York Stock Exchange, I had, of necessity, to explain to them what was happening in our country. This was the world of finance and high finance and I was there to promote India. As I said, we need increased involvement of the world community in India's development even though the bulk of resources for India's development must continue to be mobilized domestically. I do not see any conflict between what I said at the New York Stock Exchange and what I said at the General Assembly. In what I said at both these places, I do not see any contradiction. I am Manmohan Singh and I will remain so wherever I am.

Question (Mr. T. K. Arun, *The Economic Times*): You talked about convergence with the United States. But the common theme running through your address to the UN, your presentation to the Council on Foreign Relations today, and your description of the war on terror as being driven by political expediency, lacking substance or credibility is that there are huge areas of conflict and the US must learn to share power of which India is a rightful claimant. The question is how do you propose to press this claim forward and secure more power from the United States?

Prime Minister: I do recognize that international relations are, in the final analysis, power relations and nobody gives up power willingly. As I said before I left Delhi, this visit is in many ways an essay in persuasion. There are vested interests everywhere who play a role in the shaping of domestic policies and international policy. But I have always believed that, in the final analysis, ideas have a life of their own, that good ideas well articulated do matter. So, it is my hope and expectation that if we have a good case, sooner or later we will have an impact.

Question (Mr. Rohit Vyas, *TV Asia-USA*): In your interview to Charlie Rose this week, you mentioned the fact that India and Pakistan were both responsible enough not to use nuclear weapons. India however has committed to no-first-use. Pakistan has made no such commitment. But in your discussions that you have described as positive, and the vibes that you received from General Musharraf as being positive, can you give us

some information on whether he specifically indicated to you that now finally Pakistan may be willing to follow in India's footsteps and commit to no-first-use?

Prime Minister : We did not have a detailed discussion on that subject. But these matters with regard to nuclear confidence-building measures have been discussed at the Expert Group level between our two countries. We will carry forward that dialogue.

Question (Mr. Ravi Kant, TV Asia) : *Mr. Prime Minister Sir, in order to uplift the people of backward sections in India, in what way can our non-resident Indians contribute and how can they feel secure with regard to their investments?*

Prime Minister: I have already said that we need active involvement of the non-resident Indians in the development of our country. There are many people who come from various States of the Union. Many of them feel attached to the States which they come from. We have many States in our country which need more investment, which need modern technology, which need modern management skills. Whatever can be done to make good these deficiencies that the NRI communities represent an enormous brain bank for our country. We have to be able to tap that for the development of our country.

Question (Ms. Indira Khannan, CNBC, TV-18): Sir, you have met with a high profile group of CEOs at the New York Stock Exchange. What were the key concerns singled out by them as the main obstacles to greater involvement with the Indian economy? And, have these concerns changed in any way from the time that you sought foreign investment as the Finance Minister?

Prime Minister : By and large people complain about deficiencies of infrastructure. They complain about excessive democratization of economic and social processes. They also complain about corruption. I tried to address all these issues to the extent that was possible.

Question : Have these changed in any way from the time that you were a Finance Minister, Sir?

Prime Minister : Obviously, things have changed. If you look back to the situation in 1991 and the situation today, I think there is a sea change in the

economic situation. Last year we had an inflow of about 15 billion dollars, both from institutional investors and direct investors. From almost nothing in 1991 to about 15 billion dollars annual inflow of foreign investment is an indication of the winds of change that are blowing in our country.

Question (Ms. Seema Sirohi, *Outlook* and *Ananda Bazar Patrika*): Mr. Prime Minister, there is a huge controversy in France about wearing of the turban. I know you are in dialogue with the French Government. Is there anything concrete that they have offered so that the Sikh boys can wear their turbans to school?

Prime Minister: When Mani Dixit went to France I gave him special instructions to raise this matter at the highest level with the French authorities. He did that. I have read in the newspapers recently, I think yesterday, that an agreement has been reached that a particular type of headgear can be worn by Sikh children in school.

Question (Ms Maya Mirchandani, New Delhi Television): Mr. Prime Minister, my question pertains to your talks with General Pervez Musharraf this morning. Before leaving Delhi you said that a pre-condition for success in the Indo-Pak peace process would be the complete stopping of terrorism in Jammu and Kashmir. Did the subject of cross-border terrorism come up this morning? If so, why was it not reflected in the Joint Statement?

Prime Minister : It did come up in our discussion, and I mentioned unambiguously to President Musharraf that the starting point of the whole Dialogue is the commitment given by Pakistan in the January 6 statement that Pakistan's territory or territory under Pakistan's control will not be used for terrorist purposes. If you read the statement today, there is a reference to January 6 statement. Therefore, there should be no doubt that that is the precondition for moving forward. We cannot discuss confidence-building measures if terrorist acts are on the increase. We cannot discuss any substantive issues, leave aside the confidence-building measures, if terrorist acts are not under control. I did raise that matter with the President and he recognised that that is the situation.

Question (Mr. Sridhar Krishnasamy, *The Hindu*): I was wondering, given all the upbeat in assessment of US-India relations, are you apprehensive of what could happen if there is a change in the White House this November, especially in the context of the strident rhetoric that one is hearing on such

issues as outsourcing? Did you get a chance to talk to President Bush at all on this issue?

Prime Minister : It is the internal concern of the people of the United States what type of Government they choose. In the midst of election controversies lots of things are said. My hope and expectation is that our relations with the United States have withstood the test of time. Under President Clinton there was considerable improvement in Indo-US relations. President Bush has carried forward that process. My hope is that regardless of the character of the administration in Washington these relations will become stronger, more durable and more productive. Political parties come and go but national interests remain more or less the same. It is the convergence of national interests between our two countries which gives the confidence and hope that we can hope for better days to come in terms of the future of Indo-US relations.

Question (Mr. Ajay Kumar, *Star News*): With your kind permission, Sir, can I ask something on the domestic political scenario? I think almost all the questions on your trip have already been exhausted.

Sir, your Government has been in power for more than three months. There is a deadlock in the Parliament as well. Number of your allies as well have been creating problems for your Government. Do you have any plans as to how you can sort this out and get the Parliament moving?

Prime Minister : It is my hope and expectation that when Parliament reconvenes, what happened in the past would be a chapter which can be considered as closed. The Speaker of the Lok Sabha, in cooperation with the Chairman of the Rajya Sabha, has convened a meeting of all political parties on the 8th of November. I do sincerely hope that all these matters will be sorted out at that meeting, that we can look forward to a smooth functioning of our Parliament when next time Parliament is convened.

Question (Mr. Nitya Chakravorty, IPA): This morning, after President Pervez Musharraf read out his statement, you commented that this was a historic day. The word historic has wider dimensions. What was so special in the statement that you termed it as historic?

Prime Minister: In more than one ways, for the first time we have a statement which lists and which conveys our determination to move forward in a purposeful manner to resolve all outstanding issues. There was the

beginning of January 6, when it was agreed that we will resume the Composite Dialogue. That Composite Dialogue will be taken to its constructive conclusion is a new commitment. We have, in the last four months that our Government has been in office, been discussing with Pakistan these various issues, confidence-building measures, Jammu and Kashmir. This statement contains once again our reaffirmation of the desire of both countries to move forward to find constructive and productive solutions to the problems that exist.

Question (Mr. Tarun Basu, *Indo-Asian News Service*): Mr. Prime Minister, when you talk about the discussion on outstanding issues, especially the complex issue of Jammu and Kashmir, did you and President Musharraf discuss contours of various options available to both sides for the ultimate resolution of the Kashmir issue.

Prime Minister : We did not go into all those details. President Musharraf mentioned that there are many options. I said we are willing to look at all those options with an open mind. Therefore, the next stage would be to discuss what options are available and what are the pros and cons of various options. Foreign Secretaries of the two countries will be meeting shortly. I will again be meeting President Musharraf in Dhaka. The Foreign Ministers will be meeting in February. We have, in the next four or five months, an intensive agenda. This will be discussed at various levels.

Question : In the meeting with President Musharraf, was any issue regarding the problems of the Sikhs, their visit to the Sikh shrines in Pakistan, taken up?

Prime Minister : We did not discuss specifically this particular problem at our meeting this morning. But this was a matter which was raised when Pakistan Foreign Minister was in Delhi a few weeks ago.

Question : Mr. Prime Minister, some weeks back you mentioned about importance of mobilization of all the world countries to the challenges they are facing. Will India take the initiative to mobilize all the world countries on that front?

Prime Minister : We will work with all like-minded countries. We will bring effective coalitions to tackle all these problems. These coalitions can be at various levels. For example, we have come together in the Group of Four -

Germany, Japan, ourselves and Brazil - to work together for reform of the Security Council. That is one such group. We have the Non-Aligned Group. We have other groups. As have-nots of the world, we must work to ensure that the world does move in the direction in which you would like it to be. Africa must also be a part of that process.

Thank You.

(Text in italics is translated from Hindi)

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041. Statement by Permanent Representative at the United Nations Nirupam Sen at the meeting of the NAM Coordinating Bureau on the margins of the 59th Session of the UN General Assembly.

New York, September 29, 2004.

Mr. Chairman, I regret the inability of the Hon'ble External Affairs Minister of India to attend this meeting since he had to leave yesterday for New Delhi. First of all, allow me to congratulate the Prime Minister of Malaysia on his address and Malaysia for its able stewardship of the movement over the past year, including the holding of regular meetings of the NAM Coordinating Bureau. I welcome the opportunity to participate in the interactive discussion on "Reforming the UN to meet global threats and challenges in the 21st century."

It is worth recalling that the Non-aligned Movement was not just a matter of not being aligned to any bloc but, more importantly, judging each issue on its merits and acting resolutely and in solidarity in defence of our collective interests. The world has changed radically but the principle remains relevant. Praxis is important: for instance, we are in favour of the principle of non-interference in the internal affairs of States: surely we must act accordingly. Solidarity in its politico-economic sense translates into South-South cooperation. Both bilaterally and multilaterally, India has promoted this in practice. During this 59 th General Assembly session, the IBSA (India, Brazil, South Africa) project on Guinea-Bissau was unveiled – a tangible symbol of such cooperation.

You have been implicitly critical Mr. Chairman that many speakers have dwelt at length on reforming the Non-aligned Movement. Without any special pleading on their behalf, I would like to say that perhaps reforming ourselves and contributing to the reform of the UN is part of a single theoretical movement. We share the views of several speakers who have pointed out that poverty and disease are as great challenges as terrorism or the proliferation of weapons of mass destruction. Indeed, since the end of the Cold War more people have died of epidemic diseases than have perished in all the wars waged since then. Fighting epidemic diseases requires drugs at affordable prices. This requires that TRIPS has the right trajectory. This not only needs our solidarity in the WTO negotiations but, more important, a restoration of the powers of ECOSOC and its role of oversight of specialized agencies. In short, from any angle of relevance to us the road leads straight to the reform of the UN, particularly the recovery of its planetary role in setting the international economic agenda, as was originally envisaged and indeed, as was all too briefly, a reality.

A reform of the UN must contribute to the General Assembly's recovery of its authority and role. But we must ask ourselves why these have been steadily eroded though there are any number of articles in the Charter that give the General Assembly great authority and, on some interpretations, even primacy. How can this process be halted and reversed? On the one hand, the member States, especially those in the Non-aligned Movement would have to have the will to act. But on the other hand, and more importantly, the permanent membership of the Security Council must have the critical mass to respond to this aspiration of the democracy of member States and act accordingly. Hence, the expansion of the Security Council in both its permanent and non-permanent categories is imperative. In its absence, all other reform elements would be unavailing. It is, therefore, no accident that a large number of members of our Movement have expressed themselves in favour of expansion of both permanent and non-permanent members of the Security Council. This is functionally and structurally necessary for reform. Of course, we share the large number of views that have been expressed on making the Security Council representative and giving it legitimacy without which it cannot even work out rational criteria on how to deal with threats and challenges to peace and security, let alone actually meeting them.

In short, we would like to see a reform of the UN system that would

serve in practice, and address the concerns of NAM, and other developing countries. After all, we constitute the vast majority of the UN's membership. We are also the greatest victims of the problems of poverty, under-development, infectious diseases and other problems. We have every right not just to be the objects of UN action but subjects and decision-makers on what action would best suit our collective interests.

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042. Statement by Permanent Representative at the United Nations Nirupam Sen at the 28th annual meeting of the Ministers for Foreign Affairs of the Group of 77.

New York, September 30, 2004.

Mr. Chairman,

I would like to felicitate Qatar on the excellent leadership provided to the Group of 77 since the beginning of this year and for sustaining the Group's solidarity in action in all UN fora.

I also welcome our incoming Chairman, Jamaica. We wish Jamaica a productive tenure and look forward to a constructive engagement with them in pursuit of our common goals and objectives. I recall that in the middle eighties, Jamaica was associated with the Brandt Commission and we are happy that it would bring to bear on our work the fruit of two decades of active involvement and reflection on the problems of development. Today in some respects, the environment is more harsh and therefore, redoubled efforts and solidarity would be needed.

It is well-known by now that very few developing countries are likely to achieve their development goals, in particular the Millennium Development Goals. It is crucial, therefore, that developed countries implement the ODA targets to which they are committed in the Monterrey Consensus (paragraph 42). This also applies to the commitment on technological resources flowing from the World Summit on Sustainable Development. The 2005 Major Event on the Review of the Millennium Declaration would enable us to assess the fulfillment of these commitments.

Earlier some striking statistics were given on how much could be done if we move from a consumerism-oriented to a development-oriented economy. I would cite only one statistic of more immediate practical relevance to what we intend to do. Yesterday's Financial Times had a front page headline on the fact that trading on currency bourses has reached a record high of US$ 1,900 billion a day. This is what Lord Keynes had called a casino economy. This has absolutely no relationship to the volume of goods and services traded each day. This is speculation on a gigantic scale. Therefore, as an additionality in terms of finance for development, non-traditional and innovative sources of finance such as a tax on such transactions should be discussed. Whatever be the complex economic debates on the concept of development, there is no escaping the basic economic axiom that growth depends on the rate of investment. The challenges of globalization demand both domestic and international action. We welcome the recognition of the need for policy space to developing countries at UNCTAD XI. The Report of the World Commission on the Social Dimensions of Globalization has provided several recommendations in this regard which are worthy of our careful consideration. It has proposed directly a far-reaching reform of international trade, monetary and financial institutions and implicitly a reform of the UN itself. Quite clearly, ECOSOC has to recover its function of oversight of specialized agencies and the UN its role of being the planetary system that sets the international economic agenda. Only through such a reform would developing countries have a voice in decision-making on international trade, monetary and financial questions.

An impression is some times sought to be created that the August 1st Framework Agreement reached at the WTO negotiations in Geneva was a gift of the developed countries. This is not so. It was a result of intense negotiation and struggle by many developing countries including India. A similar struggle lies ahead when details are negotiated to safeguard our position on the issues of agriculture, subsidies, market access and tariffs. The issue of subsidies obviously has a direct bearing on the stabilization of commodity markets because commodity prices continue to be supply determined unlike those of industrial goods which are demand-determined. The G-77 has a major role to play in facilitating consultation and coordination among developing countries in order to maximize the developmental gains from negotiations at the WTO and thereby, fulfill the promise of Doha.

It is lunch time and I do not wish to follow Burke who "thought of convincing while they thought of dining". But I would like to end with our strong support for South-South cooperation. We welcome the launching of GSTP negotiations among developing countries during UNCTAD XI. India remains committed to sharing our experience in technical, scientific and economic areas with other developing countries. India's various technical and economic cooperation programmes, including the ITEC Programme, cover 154 countries, with an outlay of over US$ 200 million annually. The new Government of India is the inheritor of the heroic heritage of NAM, UNCTAD during the golden decade of the UN and is prepared to consider further expanding this Programme both bilaterally and regionally and would welcome suggestions particularly from small and less developed countries.

The Group of 77 has been an valuable asset for developing countries. We shall remain engaged in a continuing consultative process to explore cooperative solutions both among ourselves and with the wider international community. I reiterate India's full support and involvement in this effort.

Thank you, Mr. Chairman.

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043. Address by External Affairs Minister K. Natwar Singh at South Asia Free Media Association meeting.

New Delhi, October 9, 2004.

Ladies and Gentlemen,

I am happy to be here to interact with this conclave of South Asian journalists.

In the four years of its functioning, SAFMA has developed a reputation as a forum that generates new ideas and is committed to implement them. The fact that the SAFMA Conference today is discussing the politically sensitive issue of conflicts in our region, and the recent decision for exchange of visits by Indian and Pakistani journalists indicates that SAFMA has taken off rather smoothly.

Although the 21st century has begun, it has not had an auspicious beginning. Now there is a glimmer of hope on the Indo-Pak arena.

The history, politics and diversity of our region raises several difficult but pertinent questions for the media. We have a huge deficit of information about each other. On the other hand, misinformation and negative perceptions of each other have accumulated over the decades. Both are linked directly to the issue of access to information and media products. Another challenge is how we can keep pace with the galloping technological development in the information and technological fields.

The role, or should I say intrusion, of the media in our functioning is now irreversible. One has to learn to accept this reality.

There is hence a greater need for structured and regular exchange of media professionals. This could include annual conferences of editors from SAARC countries as well as frequent exchanges between younger journalists, including training exchanges.

On India-Pakistan relations, we are making steady progress. India is committed to move ahead with the Composite Dialogue. Today, the climate that characterises India-Pakistan relations is significantly different as compared to 2002. The two sides have been able to identify the areas of convergence and future cooperation.

As you are aware, Prime Minister Dr. Manmohan Singh had a constructive and cordial meeting with President Musharraf in New York at the UN General Assembly, on September 24, 2004. Both agreed to restore normalcy and cooperation, and implement confidence-building measures. Prime Minister also agreed to look at the possibility of a gas pipeline via Pakistan to India in the larger context of expanding trade and economic relations between the two countries.

We remain committed to deepen our engagement. However, the whole process is critically dependent on the fulfillment of President Musharraf's reassurance of January 6, 2004 not to permit any territory under Pakistan's control to be used to support terrorism in any manner.

In many aspects, our subcontinent is unique. Bounded by the Himalayas and the Indian Ocean, we can develop a coherent economic space where each region and country can be proud of its individual contribution, and an exceptional, multifaceted identity that easily merges and changes from one village to another, and then from one country to another, without resort to conflict or confrontation. This augurs well for us all.

Television in all our countries has burgeoned over the last two decades, and perhaps, as a region, our TV growth could be the fastest in the world. The media now constitutes a resource for education, development and reform. Information and communication technologies are beginning to transform life in our villages, bringing news and knowledge to millions. Information is an empowering resource, the means for us to exchange experiences on best practices in our many paths to development. But there is also the negative media reality – sensationalizing and trivializing of grave and complex issues.

Economic development through closer integration is not the chant of a few. Our people and our media must broadband our communication to cover regional political, economic, security and cultural matters. It must talk of issues pertaining to collaborative opportunities in communications, agriculture, energy, water, education and health. This is not information from one country that will swamp another. It is merely showing respect to the economic and information needs of the people of this vast subcontinent. It is admitting that we can prosper together, for we are one geopolitical

region, a region of extra-ordinary and interwoven cultures, languages and lifestyles.

In general, we have not stopped transnational media organisations, people and products from entering our countries. Why then do we raise barriers against ourselves? The irony is that misinformation emanating from outside the region, finds its way to our own newspapers and television channels. The damage sometimes is serious. Misunderstandings multiply. Rumours take precedence over accuracy. Opinions are paraded as facts. Damage control becomes a semi-permanent activity.

Free movement of media persons and products is not merely about taking information to the people. In this information age, the people are our umpires, as they are entitled to be.

We all agree with the urgent need to free the movement of media and media products within the region. But we hesitate when we actually come to implementing supportive measures. The biggest non-tariff barrier we encounter in this process is the suspicion in our minds. We are not protecting our respective economic interests by these unfounded apprehensions. We are not always safeguarding our respective cultures. We are only limiting opportunities for better understanding among ourselves, for our growth. Our region needs its own version of the BBC, CNN or Al Jazeera.

India is keen to support the process of free movement of media and media products within the region. Today India is for all practical purposes completely open to the flow of media products from outside. We are working towards removing the few restrictions that remain.

The Government of India has been continuously working for the liberalization of the grant of visas, to Pakistani nationals, including journalists. During my meeting with SAFMA on 22nd July 2004 at Islamabad, I had promised multiple entry visas to the SAFMA office bearers for a period of one year. I am glad that we have been able to implement this. On September 18, 2004 we had unilaterally announced that journalists with a minimum of three years of accreditation with national or international media of repute could be issued multiple entry visas, and with exemption from reporting to the police. I am happy that this too has been done.

The intimacy of village life of the centuries past has been replaced

by a new intimacy of communication across space. Freedom is not just therefore the right of media persons to express their opinions as representing that of the populace. The media is not about a one way flow of information, as it was in the age of newspapers and radio broadcasting.

In the regional context, we have repeatedly articulated our interest in a South Asian Common Information Space. SAARC media representatives, as indeed the larger public should be able to visit each other freely and travel across the length and breadth of our countries.

The capabilities embodied in the new technology make it interactive. The information world is hence abandoning the format of the society and the spectacle. We now have multiple directions of information and opinion flows. Participation replaces representation in an interactive age, and is, hence, the best guarantor of democracy. The 'seer' is as important as the 'spectacle' in the electronic marketplace, and everyone is increasingly able to participate freely in the production and consumption of media products.

At nominal cost, a new singer in Lahore can load her songs on the Internet so to be heard in Manchester, and a high-school student in Kanpur can offer Californian companies his expertise in upgrading and maintaining their websites. They are also media people creating media products. Then, who and what are we trying to stop? Eventually technology is championing the real struggle for media freedom.

Let us open our markets to each other's films, educational and entertainment products such as audio and video CDs and DVDs.

The Indian entertainment industry is, undoubtedly, very large in comparison to the others in the SAARC region. But even this industry is ever hungry for new ideas and inspiration. This presents collaboration opportunities that open up the markets for all SAARC countries.

The education and entertainment industries have great power to bring our people closer together. Bollywood is a spectacular example. Shah Rukh Khan this week adorns the cover of Time Magazine. In the past, the melody of a Rafi or a Noorjehan wafted across our frontiers to a common heartbeat. In the eighties, there was not a video parlour in North India that did not stock copies of Pakistan's all-time great television serials like Dhundh and Waris. Let us not, so much later in the day, still hinder one from enjoying

another's creativity, or joining with the other to find fresh and inspiring expression.

If we do so, piracy and other forms of copyright violations will deny legitimate returns to our media operatives and inhibit their growth in an environment where powerful global companies virtually control information and its channels.

We should work to ensure that that the talent, content and the technology of this enterprising subcontinent are jointly exploited, so that we create a powerful South Asian entertainment industry — one that can advance our region and influence the world.

Our balance sheet is not all negative however. There are several positive factors and trends. The imperatives of technology and inter-connectedness, the compelling and mutually beneficial logic of regional cooperation and the intense and growing desire of the people of our region for friendship, peace and economic development are the most prominent among these. Also, our region has gradually but surely emerged as an important player in the global revolution in information and communications. The talents of our people have in fact played a leading role in this process and our culture has enriched it. It is only fair that the benefits of this progress should reach us as well.

The media has a twin task. It needs to nurture the spirit of cooperation and at the same time counter negative perceptions. This can only be achieved by operating within a framework of empathy, and by looking at issues with the sensibilities of the other. A responsible projection of issues which avoids dramatization and rejects stereotypes is an essential requirement of this process.

This is where I see SAFMA playing a seminal role. SAFMA is a forum that provides an opportunity for close interaction in a cooperative framework between media persons of diverse political cultures, varied economies and societies.

I would end by saying that the people of South Asia are politically mature and aware. Let us not rate them unthinkingly compliant, and ready to forever accept what is fed to them. Disinformation, misperceptions and prejudices may hold sway for a while, and do some damage. But eventually,

our people know how to sift and process information, how to interpret messages they receive, and eventually their collective wisdom perceives the truth.

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044. Interview of Minister of State for External Affairs E. Ahamed with *The Times of India*.

New Delhi, October 12, 2004.

What are the significant changes in foreign policy that your government has made?

The policy of the government is based on the common minimum programme. Of course, we follow the same policy that Jawaharlal Nehru did. There has not been much change since his time. But there was a distinct difference in the NDA government's attitude to foreign policy. There was a perception that it wanted to be a satellite of the US government. It only changed certain policies which would have been against India's interests when forced to do so in Parliament. For example, on the issue of sending troops to Iraq, they were forced to backtrack. Again during the NDA's time, an impression had gained ground that India was drifting away from its decades-long ties with the Arabs especially on the issue of Palestine. When our delegations went to Arab countries at that time, the public would question India's over-emphasis on Israel and our stance of not criticising its 'state-sponsored terrorism'.

But I thought the Nehruvian foreign policy had been jettisoned long ago.

No, we still follow it as we do the policies of Indiraji and Rajivji.

In which case, why has your government been remarkably quiet on Israel's actions against the Palestinians?

We have not, not at all. I condemned the escalation of violence and the disproportionate use of force by Israel in Gaza and expressed concern about the loss of innocent civilian lives. During my visit to Gaza and

Ramallah, I conveyed to Yasser Arafat India's unwavering support for the inalienable right of the Palestinian people to an independent homeland. India will be a front-runner in the international effort to redress the historic injustices done to the Palestinian people.

But could you not use India's close ties with Israel to urge some restraint? In fact, the perception is that we are still too soft on Israel.

I have not had an occasion to meet the Israelis. We have been clear on our position. The Palestinians will succeed in securing their own independent homeland but I cannot give you a time frame. Our ties with Israel are not at the cost of our decades-long friendship with the Arabs, so I would say this perception is not accurate.

What hope did Yasser Arafat hold out for the future when you met him recently?

He was very grateful for our support and friendship. He is going through an extremely difficult time. The prime minister sent a letter of support through me. Arafat became very emotional on seeing this. My visit was a signal that we are with him in his moment of trouble. The Palestinians are even being denied access to places of worship like the al-Aqsa mosque and Ebrahimi mosque. The Christians can't visit Bethlehem. He is dejected. This man has worked all his life for the Palestinian cause, don't forget that. Whatever proposals for resolution have been mooted, the Israelis have thwarted and undermined them. Arafat told me that things have worsened under Sharon. As for the future, what can he say? He lives from day-to-day.

What were your personal impressions of the situation on the ground?

Horrible, just terrible. In Hebron, I personally saw the Israeli security forces harassing Palestinians who were trying to move from one place to another. Why even top Palestinian leader Nabil Shaath was detained for two hours at a checkpost.

Would you say that Arafat is losing ground?

No, not at all. Organisations like the Hamas have come up because of the loss of momentum in the peace process. There is simply no one to restrain Israel. But to remove Arafat would be politically counterproductive.

Why have you been reluctant to caution the US when it makes threatening noises against Iran which has been our traditional ally?

The proposal for pre-emptive strikes has been condemned worldwide. The US occupation of Iraq has been condemned worldwide. Our relationship with the US is a strategic one, we don't support everything it does.

As external affairs minister, what do you feel about the offer from the FBI to help probe the north-east crisis?

This is the first time I have heard of an ambassador making such an offer directly to the chief minister of a state.

The Left parties have been critical of your government trying to cosy up to the Americans. Does this not give an impression of being a house divided?

No, the Left parties are entitled to their opinion. You know, my party, the Indian Union Muslim League, opposed initiating diplomatic ties with Israel in the early 90s. But that did not change government policy. No policy we take regarding one country is directed against another. So, don't mistake consultations to arrive at a consensus for a rift with the Left or any other party.

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045. Statement by External Affairs Minister K. Natwar Singh at the Conference on Interaction and Confidence Building Measures in Asia (CICA).

Almaty, October 22, 2004.

Your Excellency Foreign Minister Tokayev, Excellencies and distinguished guests,

2. It is my privilege to be present at such a distinguished gathering. As this is the first occasion that I am present here, let me begin with reiterating India's fullest cooperation in making this event and the Conference on Interaction and Confidence Building Measures in Asia (CICA) a success. This morning, we have had the honour of listening to President Nazarbayev's wise words, whose initiative and personal commitment has been the driving force in the evolution of CICA. Allow me also to express my delegation's gratitude for the warm welcome and hospitality extended to us by the friendly Government and people of Kazakhstan.

3. The first CICA Summit held little more than two years ago in this beautiful city was a milestone in the evolution of CICA and a recognition of the efforts being made by states and peoples in the heart of Asia to co-exist, cooperate, renew and rebuild the historical ties for building a better future for all of us. The Almaty Act, a result of our collective effort over a decade, which was adopted at the first Summit lays out the road map for further development of CICA. It also reflects the tireless efforts and wise guidance that you had put in for us to be able to arrive at that juncture.

4. Today, we are collectively taking another step forward in the implementation of the roadmap. The two documents namely the CICA Catalogue of Confidence Building Measures and CICA Rules of Procedure, which we would be adopting today, would lay the basis for future development of the CICA process. It has been India's privilege to be associated with the CICA process since its inception. India has always given its sincere support to the CICA process and has participated constructively in the discussion over the last two years on elaboration of these documents. We hope to carry forward this process.

5. Since the early nineties there has been a steady shift in power and influence to Asia. The centre of gravity of global geo-politics and geo-

economic affairs is gradually but surely shifting towards Asia and it has been widely acknowledged that the present century could be the “Asian” century. The CICA membership covers a vast expanse of Asia, including the major economic and security players of the region. We also welcome today, Thailand as a new member of the CICA. Together we have a significant share of global energy reserves, natural resources , trade and economics, but at the same time we have to face the fact that a large number of our people are still affected by lack of development, poverty and disease. In addition there exist a variety of other threats, such as international terrorism and its linkages with the proliferation of WMD, environmental destruction, drug trafficking and organized crime which hinder our progress towards realisation of our full potential.

6. All of us recognise that peace and stability is a necessary prerequisite for ensuring the continued prosperity of our peoples. How are we to achieve the goal of enduring peace and stability? The international order remains in transition and a viable paradigm of security to replace the earlier alliance systems of the cold war era has yet to emerge. India’s views on security in Asia are in a sense encapsulated in the comments of Pt. Jawahar Lal Nehru, our first Prime Minister, when he took the initiative to hold the Asian Relations Conference in New Delhi in March 1947 where he outlined his vision for an Asian continent free of power struggles, arms races, fear and want. It is necessary for all of us to go beyond the old ideologies and ways of thinking, towards a more equitable world order where States cooperate with each other for mutual welfare and prosperity.

7. Asia, unlike other parts of the globe, presents a much more diverse scenario, being home to many rich cultures, traditions and civilizations. While we can certainly learn from the experience of other parts of the world we would need to evolve our own approach, rooted in the realities of Asia; for only such an approach would have a chance of being successful. In order to build a strong, prosperous and confident Asia, we need to supplement and complement our individual strengths through a cooperative security framework. In this context, CICA can play a useful role. The Almaty Act and the Declaration on the Principles Guiding Relations between CICA member states, which also take into account the five principles of mutual co-existence, provide us a basis for moving ahead. Our collective endeavour within the context of CICA over these years has been to work for creating a multilateral framework for peaceful co-existence and for engendering greater

confidence and trust. This would enable creation of bonds of trade, commerce, people-to-people contacts, friendship and mutual dependence. In turn this will provide an effective deterrent against threats to peace and stability in the region.

8. It has been our belief that the current threats and emerging challenges require a cooperative approach based on the principles of inclusiveness and equal security. We have therefore actively sought to strengthen and deepen our relationship with all the countries in our extended neighbourhood. Our engagement is reflective of the constructive contribution that India can make to peace and stability in Asia and the world at large. Our collective and individual progress will be faster and more secure when our region is bound together in peaceful cooperation and not divided by conflict and confrontation.

9. A common threat to the security of our peoples and states is international terrorism; how we deal with it will affect our collective future. The recent terrorist attacks in Beslan, Russia have shown us again that terrorists have no regard for human life and would not spare even innocent children in trying to achieve their nefarious objectives. Our foremost common concern therefore should be to root out this menace through a comprehensive and sustained effort. At the Almaty Summit, we had adopted the 'CICA Declaration on Eliminating Terrorism and Promoting Dialogue among Civilizations' where we stressed that the fight against terrorism should be global, comprehensive and sustained; not selective or discriminatory. It is necessary for all of us to put in practice what we had collectively recognised. The UN Security Council has also in this regard adopted a number of resolutions including the most recent Resolution 1566, sponsored by Russia and adopted by consensus on October 1, 2004. We welcome the adoption of this resolution and it is our sincere hope that all the CICA member states would take effective steps to implement its provisions. For its part, India remains committed to strengthening the global campaign against terrorism. Concerted efforts by all states to root out this scourge would be a very substantial confidence building measure.

10. CICA member states represent a myriad of ancient civilizations, cultures, traditions, religions, political and economic systems. Central Asia has for centuries been at the crossroads of great civilizations and made invaluable contributions to inter-civilization understanding and

enrichment. The historical interaction between us in the economic, cultural and social spheres serves today as a useful reminder, that this diversity can be utilised to learn from each others' strengths and promote in turn greater understanding and trust. CICA can play in the present context of time and technology a similar role by focussing on promoting economic cooperation, social and cultural interaction and people-to-people contacts. Despite our vast natural resources our people still have to face the vagaries of natural disasters. We could in this context combine our collective experience for our mutual benefit. Building on such issues would be the most useful way for CICA to promote confidence building. In this context it is gratifying to note that the Catalogue of CBMs which we are adopting today, has included in it, besides measures in the politico-military sphere, several measures to combat the threat of terrorism and promote greater social and economic interaction. These should be our priority so as to lay an enduring foundation for the success of CICA.

11. In today's globalised world which is getting increasingly inter-connected and inter-dependent, peace and stability can only be ensured through a truly multilateral approach among the nations, based on the principles of mutual respect and equality and which seeks to build on the areas of common advantage. CICA can play a useful role in this context. India remains committed to its constructive participation and support in this endeavour and in realisation of our common vision.

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046. Declaration adopted at the Conference on Interaction and Confidence Building Measures in Asia.

Almaty, October 22, 2004.

We, the Ministers of Foreign Affairs of the Member States of the Conference on Interaction and Confidence Building Measures in Asia (CICA), met today in Almaty to exchange views on current situation at the regional and global levels and to explore possibilities to further cooperation, peace and security in Asia.

The situation on the Asian continent and in the world is rapidly changing. Peace, development and cooperation are the main trends, but threats to peace and security, such as terrorism in all its forms and manifestations, violent manifestations of separatism and extremism, proliferation of weapons of mass destruction and their means of delivery and the possibility of their falling in the hands of terrorists, illicit drug trafficking, regional conflicts and disputes, foreign occupation, economic and social problems, particularly poverty, human trafficking, illicit trade in small arms and light weapons continue to exist. These threats and opportunities are global in nature and multilateral efforts by the international community are required to effectively deal with them. The situation in Asia is characterized by the diversity of political and economic systems and unique cultural traditions, and therefore requires due attention to these particularities in formulation of approaches for enhancing security and prosperity of our peoples.

We stress that the main objective of the CICA is to make its own contribution to enhance an atmosphere of peace and security in Asia. In this respect, CICA represents a forum where prospects for our interaction can be discussed and appropriate multilateral approaches for enhancing cooperation can be elaborated in accordance with the purposes and principles of the United Nations Charter and the Almaty Act.

We reaffirm our commitment to uphold and defend the principles of the UN Charter and international law.

We recognize the special role of confidence building measures in enhancing cooperation and further developing an atmosphere of peace, confidence and friendship in Asia and in creation of favorable conditions for finding solutions to problems in military-political, economic and environmental, humanitarian and cultural spheres.

Recent developments in international relations demonstrate that multilateral approaches based on the widest possible international support are the most effective way to address the challenges of the contemporary world. We therefore reaffirm the central role of the United Nations in the maintenance and promotion of international peace, security and sustainable development in accordance with its Charter. We emphasize the need for reform of the UN system to make it more responsive to traditional and new challenges and agree to work towards this goal.

We reaffirm that the unity, independence, sovereignty and territorial integrity of Iraq, including the right of the Iraqi people as a whole to control their financial and natural resources, should be respected by the international community. We welcome the statement by the Iraqi Interim Government to establish good relations between Iraq and its neighboring states, based on mutual respect and the principle of non-interference in their internal affairs, as well as to abide by the existing treaties and arrangements, particularly those relevant to internationally recognized borders, and invite Iraq and its neighboring states to actively cooperate to promote peace and stability in the region as well as by eliminating all terrorist presence on their territories. We support the initiation of the political process in Iraq as outlined in UNSCR 1546. We emphasize that the United Nations should play a central role in this process. We welcome the forthcoming international conference on Iraq to be held in Egypt on 23-25 November, 2004.

We support the process of political and economic reconstruction in Afghanistan and encourage all countries including neighboring states to intensify their efforts to assist the Afghan Government in promoting stability, economic rehabilitation and fighting terrorism and drug production in the country. We also consider it necessary to continue collective efforts to chart a comprehensive strategy of international actions to counter the drug threat originating from Afghanistan. We welcome the presidential elections in Afghanistan as one of the key elements of the Bonn process and the first most important step towards establishing new state institutions based on democratic principles.

We are concerned with the situation in the Middle East and call upon all parties concerned to resume negotiations to help achieve comprehensive, lasting and just peace, security and stability in this region. We welcome initiatives to achieve this objective, in particular the Roadmap Plan as

endorsed by the UN Security Council Resolution 1515 and President Bush's Vision.

We support the establishment of peace and stability in the South Caucasus, which would serve the interests of all states concerned and enhance the stability of all Eurasian region, through the peaceful settlement of conflicts on the basis of the norms and principles of international law, and relevant UN Security Council resolutions.

We support the process of the Six-Party Talks aimed at denuclearization and establishment of a nuclear weapons free zone in the Korean Peninsula. We stand for an early achievement of mutually acceptable agreements which would promote peace, security and cooperation in the Korean Peninsula and the Northeast Asia as a whole.

We strongly condemn terrorism in all its forms and manifestations, violent manifestations of separatism and extremism and agree to enhance our efforts at bilateral and multilateral levels in fighting these common threats which undermine the very foundations of international peace and security. The fight against these threats should be global, comprehensive and sustained, and not selective or discriminatory and should avoid applying double standards.

We unequivocally support the UN Security Council Presidential Statement S/PRST/2004/31 condemning the recent terrorist attacks in the Russian Federation.

We reaffirm that proliferation of nuclear, chemical and biological weapons and their means of delivery pose a threat to international peace and security, and call upon all states to fulfill their respective obligations in the sphere of disarmament and non-proliferation. In this regard, it is vital to prevent terrorist and criminal groups from attempts to acquire nuclear, chemical, biological and radiological weapons, their means of delivery and related materials and multilateral efforts to reduce this threat should be greatly encouraged.

We emphasize that international efforts to prevent nuclear proliferation should not affect the rights of states to access and use nuclear technology and materials for peaceful purposes in accordance with their respective obligations emanating from relevant IAEA safeguards agreements.

We recognize that economic and social progress is a vital component

of security and stability in Asia. Therefore we stress the importance of the development of regional and sub-regional dialogue and strengthening multilateral cooperative approaches as well as measures as appropriate on promoting sustainable development, economic cooperation, the well-being of our peoples and respect for human rights.

We support various multilateral and individual initiatives on development of dialogue among civilizations which is one of the principal instruments in fighting terrorism in all its forms and manifestations and intolerance and promoting peaceful co-existence among adherents of different religions or cultures.

Today we adopted decisions reflecting the results of the work done by the Member States in order to accomplish tasks given by the Heads of State and/or Government at the 2002 CICA Summit and to continue our work for the preparations of the next CICA Summit.

Almaty, October 22,2004

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047. Speech of Prime Minister Dr. Manmohan Singh at the Golden Jubilee function of the Department of Atomic Energy.

Kalpakkam, October 23, 2004.

Chairman of the Atomic Energy Commission, Dr. Kakodkar, Director General of IGCAR (and other dignitaries….) Friends,

It is a pleasure to be present on this historic occasion which marks the Golden Jubilee of the Department of Atomic Energy and coinciding with the commencement of Fast Breeder Technology (FB Tech).

Our nuclear programme takes a major step forward today with launching of the commercial phase of the fast breeder programme. This is an occasion to celebrate and also to reflect on our past achievements and also to look to the future with hope, courage and confidence. The progress during past 50 years have made us proud.

Under Jawaharlal Nehru's wise leadership, India was among the first group of countries to recognize the vast potential of unlocking the powers of the atom. The Department of Atomic Energy was established in August 1954. Even prior to that, as early as 1948, steps were already afoot to develop our country's capabilities in harnessing the tremendous potential of atomic energy for peaceful purposes.

In the last 50 years, we have crossed several milestones in this arduous journey. This has been a tireless quest for scientific and technological excellence some of which I would like to recall. APSARA, set up in Trombay was the first research reactor in Asia. Trombay was also the site where the first lot of fuel elements for CIRUS was fabricated. It was as early as in 1965 that the plutonium plant stated functioning. In 1974, the country conducted a peaceful nuclear explosion. In the mid-1980s, steps were taken to diversify our nuclear programme further. Some of these programmes have come to fruition today.

Our nation owes a debt of gratitude to the founders of our nuclear programme. Dr. Homi Bhabha, the father of India's atomic energy programme, was a great visionary. He laid the foundations of this national treasure of self-reliant development, nurturing a whole generation of outstanding scientists and engineers. As a former Member of the Atomic

Energy Commission, I remember working with Dr. Homi Sethna and Dr. Raja Ramanna who played an outstanding role in the growth and development of our atomic energy programme. I also recall with gratitude and pride the excellent contributions made by Dr. Iyengar, Dr. Srinivasa, Dr. Chidambaram and now, Dr. Kakodkar. It is therefore sad that Dr. Ramanna is not with us at this juncture when we are celebrating the Golden Jubilee of the Department of Atomic Energy. I would also like to recognize the contributions of all the scientists and employees of the Department who have contributed so magnificently to the nation's achievements in this field of national endeavour.

The activities of the Department of Atomic Energy range from fundamental scientific research to developmental applications of use to the common man – in the fields of health, industry, food preservation and water desalination projects. It is a matter of deep satisfaction that our scientists have mastered practically all the aspects related to the release of nuclear energy. This has contributed to our nation's security and well being in a fundamental sense.

Energy Security is an issue of vital importance, particularly in the context of the accelerating pace of our economic growth. If we succeed in instituting an optimal mix of energy resources in which nuclear energy is an important component, we will be able to ensure our energy security. India's low per capital energy consumption currently cannot for long go hand in hand with our quest for an accelerated pace of economic growth.

Energy Security is therefore a national imperative. We must break the constraining limits of power shortages, which retard our development. Nuclear energy is not only cost effective, it is also a cleaner alternative to fossil fuels. We are determined as a nation to utilize its full potential for the national good. It can also be a much needed cushion against fluctuations of prices of petroleum products.

Nuclear power today accounts for only two per cent of our overall installed capacity. We have now embarked on a major programme to generate 20,000 megawatts of nuclear power by the year 2020. By 2008, we hope to add 4000 megawatts including the two 1000-megawatt nuclear reactors coming up at Kudankutam in collaboration with the Russian Federation.

It is a matter of national pride that India has developed comprehensive capabilities in the entire gamut of fuel cycle operations. India is also among the select group of countries which have the ability to recover plutonium from irradiated nuclear fuel and use it to produce power in thermal as well as in fast reactors. This path will ensure for us a large quantum of nuclear power on a sustainable basis.

Ladies and gentlemen, India is uniquely placed to utilize technologies required for launching the third stage of our nuclear power programme based on the utilization of thorium. The technology roadmap prepared by the Department of Atomic Energy for this purpose will receive our Government's fullest support. Fast breeder reactor technology is of crucial importance in enhancing our nuclear power capacity. By launching its commercial applications, we are indeed entering a new and more advanced stage of nuclear energy production, a technology mastered only by a very small group of countries.

The Department of Atomic Energy has been able to consolidate and strengthen our indigenous capabilities in the face of externally imposed limitations and constraints. These have, however, spurred us to greater levels of achievement. The founding principles of 'Atoms for Peace" were subverted by restrictions derived from an ineffective non-proliferation regime. Despite these limitations, our scientists to their great credit have excelled time and again in demonstrating our indigenous capabilities measuring to the highest standards in the global nuclear industry.

India is a responsible nuclear power. We are fully conscious of the immense responsibilities that come with the possession of advanced technologies, both civilian and strategic. While we are determined to utilize our indigenous resources and capabilities to fulfill our national interests, we are doing so in a manner that is not contrary to the larger goals of nuclear nonproliferation.

India will not be the source of proliferation of sensitive technologies. We will also ensure the safeguarding of those technologies that we already possess. We will remain faithful to this approach, as we have been for the last several decades. We have done so despite the well-known glaring examples of proliferation which have directly affected our security interests.

The limitations of the present non-proliferation regime should not be

further accentuated by artificial restrictions on genuine peaceful nuclear applications. Technology denial and closing avenues for international cooperation in such an important field is tantamount to the denial of developmental benefits to millions of people, whose lives can be transformed by the utilization of nuclear energy and relevant technologies.

We call upon other advanced nuclear powers, and all those who have a stake in the future of nuclear energy, to come together for a constructive dialogue to evolve more effective measures that would stem the tide of proliferation without unduly constraining the peaceful uses of nuclear energy. Constraining those who are responsible amounts, in effect, to rewarding those who are irresponsible. The international community must face up to the implications of this choice. We in India are willing to shoulder our share of international obligations provided our legitimate interests are met. India has actively embraced globalisation. There is no reason why nuclear energy production should be an exception.

These functions of the Department of Atomic Energy are closely intertwined with our nation's needs and aspirations. It is important to ensure that the nation's best scientific talent enters our research institutions, and that we develop an environment in which excellence is recognized, nurtured and rewarded. The nation expects that the Department of Atomic Energy, as one such center of excellence, will continue to be at the cutting edge of scientific pursuit, national dedication and social commitment. The nation is proud of your achievements and is grateful for your contribution. However, we have a long and arduous journey ahead of us and many milestones to cross. It is my sincere hope that the Department will live up to our expectations. In this task, the Department can count on the sustained support of our government and the people of our country.

Jai Hind.

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048. Remarks by Ambassador in Japan Mani Lal Tripathi at the Inauguration of the Second Tokyo-New Delhi 'Peace in Asia' International Exchange Conference held at Nippon Foundation.

Tokyo, October 25, 2004.

I am honoured to be associated with this round of the Tokyo-New Delhi 'Peace in Asia' dialogue. Given the formidable range of expertise and experience that this distinguished panel represents, the discussions over these two days will, I am sure, throw up useful ideas for consideration by our two Governments. I will, with your permission, use the few minutes given to me to share some thoughts on Japan-India relations.

2. Our two countries have known each other for centuries since the Buddha's gentle message of peace and compassion arrived here in the 6th century AD. I will, however, not go into the long history of our relations. I will focus on developments since 1998 and briefly talk about the road for the future.

3. We disagreed on the nuclear tests conducted by India in 1998. Our people were disappointed with Japan's excessive reaction.

4. Given their own neighbourhood experience, our Japanese friends would no doubt have understood our position; if they had imagined themselves in our position, if they had seen the tests in the context of our geographical situation, our security environment and the political dynamics of our region.

5. We have profound respect in this regard for the sentiments of the Japanese people, shaped by the enormous human tragedies of Hiroshima and Nagasaki. We, therefore, understood their reaction from their perspective.

6. Our two countries, however, share the objective of a world, free from weapons of mass destruction. Both advocate the complete elimination of all nuclear weapons including those held by nuclear weapon states. Our divergence is only in regard to the path leading to an identical goal.

7. Happily for both countries, that brief turbulence in our relations is

behind us. It passed with the landmark visit to India, in August 2000, of Prime Minister Mori.

8. In giving a call for Japan-India Global Partnership in the 21st century, he showed great sagacity in visualizing that our differences on one single issue must not stand in the way of constructive engagement in vast areas of convergence.

9. In fact, even a passing look at the emerging post-cold war world makes it obvious that there is now a broad convergence of our enlightened interests and aspirations, our strategic objectives and our security concerns.

10. We have a role to play in imparting momentum to the emergence of a rule-based, multi-polar, democratic and equitable world order that alone can ensure long-term peace, stability and equilibrium on our planet.

11. We can work together in persuading all our common friends to recognize that unipolarity and unilateralism are not sustainable propositions in the long run.

12. The UN system and both our countries will benefit from Japan and India working together for making this international body more representative of present day realities, more effective and more credible.

13. The decision of Japan, India, Germany and Brazil to support one another's candidature for permanent membership of the Security Council is an important step in this direction. The mutual acknowledgement that the claim of each of us stands on its own merits and that we are not in competition here was long overdue.

14. Both countries are key players in global economic management. Despite some differences in approach, both have a role to play in putting an equitable global trading system in place.

15. Both support a cooperative and comprehensive approach to combating international terrorism. Both are against double standards in fighting this scourge. Both have a common stake in working together in this regard.

16. Both are vitally interested in ensuring the safety and protection of common sea lanes of communication.

17. Our economic interests are mutually complementary. India's rapidly expanding economy and our big market make India an attractive destination for Japanese investment.

18. The information and communication technology revolution holds out exciting opportunities for India-Japan collaboration. India's cost-effective and innovative software skills can be productively coupled with Japan's undoubted prowess in the hardware industry for mutual benefit.

19. Since Asia is the focus of this seminar, please permit me to say a few words on the importance of Japan-India collaboration in emerging Asia.

20. It is widely believed that the 21st century will belong to Asia, and for good reasons.

21. Asia is the largest continent in the world, both in terms of population as well as territory.

22. It encompasses extraordinary diversity in terms of religion, race, ethnicity and culture. Several of the great ancient civilizations originated in this continent. Almost all major religions were born and continue to thrive in our continent.

23. By 2025, Asia is likely to account for 55 per cent of the world's population and 57 per cent of global GDP.

24. This continent today accounts for the world's largest energy resources.

25. The world's fastest growing economies and markets are within Asia.

26. According to a report released by Goldman Sachs last October, China with a GDP of US$44.4 trillion, India with $27.8 trillion and Japan with $6.7 trillion will be the first, third and fourth largest economies of the world by the year 2050. Thus, by the middle of this century 3 of the 4 top world economies will be in Asia.

27. By the year 2010, 60 per cent of the world's population in the 20-35 age-group will be Asian, contributing a vast pool of producers of goods and services and driving global demand.

28. Asia will thus become the fulcrum of economic activity and will also contribute substantially to global security in the 21st century.

29. Speaking at the Asian Relations Conference in New Delhi in March 1947, Prime Minister Nehru had said, and I quote: “we live in an age of tremendous transition and already the next stage takes shape when Asia assumes her rightful place”.

30. Asia is on the threshold of realizing that vision.

31. An atmosphere of peace and stability in our region and sustained trust and cooperation among leading Asian nations like Japan, China and India, will be essential to ensure that Asia fulfills its destiny.

32. Mutual acknowledgement, on a pragmatic basis, of the complementary roles that great Asian nations have to play in this regard will facilitate the process.

33. The key to enhancing Asian security lies in our collaborative ability to build mutual economic stakes in one another.

34. This is a process already underway throughout our region. It holds the potential to knit Asia together in a manner never seen before. The logic of economics will, we believe, eventually overwhelm Asia just as it has happened in Europe.

35. It is time for us to start working together for the eventual creation of an Asian Economic Community. A building-block approach will facilitate the process.

36. Japan and India, as two independent nations and mature democracies, have different perspectives in some areas. However, our common interests far outweigh our differences.

37. Our desire for close, cordial and cooperative relations with Japan is based on national consensus and is above domestic politics.

38. Our new Government under Dr. Manmohan Singh has, in numerous pronouncements since taking office, reaffirmed India’s intention to pursue a closer strategic and economic engagement with Japan.

39. We are looking to the future of Japan India relations with confidence, enthusiasm and anticipation.

40. We want to work with our Japanese friends on the basis of equality,

mutual respect and mutual benefit to realize the full potential of our relationship.

41. We believe that the fallout of our global partnership will be positive for our two peoples, it will be positive for Asia and it will be positive for the world as a whole.

42. I will conclude my remarks here. I wish your deliberations all success. I thank you once again for associating me with this event and I thank you for your attention.

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049. Extracts from Prime Minister's address at the Combined Commanders Conference.

New Delhi, October 26, 2004.

Raksha Mantriji,

I am happy to address the Combined Commanders Conference.

Let me at the outset, pay tribute to the professionalism and dedication of the jawans and officers of our Armed Forces. Your contribution, even in peacetime – of which the rescue and relief operations during recent floods, in many parts of the country, were only the most recent example - is invaluable.

Our strategic footprint covers the region bounded by the Horn of Africa, West Asia, Central Asia, South-East Asia and beyond, to the far reaches of the Indian Ocean. Awareness of this reality should inform and animate our strategic thinking and defence planning.

In addition to the conventional military threats that we are prepared for, there has been a steady growth of newer and non-conventional challenges in recent years. These are incrementally emerging challenges for national security. We have to enlarge our instrumentalities and capacities to respond to these.

The imperative of this many-layered scenario imposes the need to

integrate our resources and assets, and rethink our basic concepts. We need to put in place new decision-making formats in the pursuit of a sustainable model of national security, in a highly complex strategic environment, which is responsive to proximate and concrete challenges, as well as to the other more “diffused” threats.

We are not the only ones who need to find new bearings. Recent events have put an enormous strain on the principles of the UN Charter and international law and on the fundamental ethic of consensual multilateralism as the fountainhead of international legitimacy to regulate and constrain the use of force in world affairs.

Balancing the imperatives of global engagement in an increasingly unstable international environment while maintaining autonomy in decision-making is thus an important challenge of our time.

Increasingly, in the years ahead, our economic growth will be related to and be a result of our integration with the global economy. Our strength as a country with significant IT capabilities internationally illustrates this point. This growing linkage will affect the concept of national defence. Greater economic integration will be a basis for greater security, enhanced cooperative efforts and stable relations. Consequently, we may have to revisit some of the traditionally accepted notions of ‘self-sufficiency’ and ‘self-reliance’.

The fast pace of technologies becoming more sophisticated, and their increasing diffusion is a phenomenon with which we have to keep up. It offers us advantages of optimal sourcing in relation to our defence needs. Our objective should be to fashion a dynamic equilibrium between requirements of indigenous production and possibilities of external inputs and acquisitions.

Recent military campaigns have demonstrated the pervasive impact of the “Revolution in Military Affairs”. Technology and strategy are mutually interactive. Our military doctrine must have the inherent flexibility to imbibe technological changes and adapt them to our strategic needs. In this process, availability of resources have to act as a reality check.

We accordingly need to pay particular focus on increasing our capacity for anticipation of strategic trends and of specific events vital to our security

interests. Too often in the past, we have paid a price on account of shortfalls in this area.

Our first priority should be to devote ourselves to building a structure of cooperative and mutually beneficial relations with our neighbors. This is the basic objective of our policies. …We have to remain alert about aberrations, strategic ambitions and geo-political motivations in their policies, which can militate against our security and our vital interests.

In the coming years, the importance of safeguarding our coastline, island territories, offshore assets and above all sea lanes of communications will assume even greater importance for our national security.

Our first and preferred resort is diplomacy. We want a neighborhood of peace so that our neighbours and we can focus on the urgent tasks of development. However, our pursuit of peace does not imply that we shall relax our vigil or compromise on our defence. Clarity in these matters is vital.

The exercise of the nuclear option by India helped remove potentially dangerous strategic ambiguities in the region. In fashioning our nuclear doctrine we have been guided by the policy of minimum nuclear deterrence and no-first use, underlined by restraint and responsibility.

The impulse of technological modernization has to come from within our Armed Forces and our defence establishments. This should be in the context of a broader reform process that should incorporate perspective plans for recruitment of the best and the brightest of our youth into our Armed Forces.

When speaking about modernization of the armed forces, it would be laboring a truism to say that the manpower base of our armed forces has to be qualitatively upgraded. The organizational dimensions of our defence need constant review and purposeful reform. Some specific steps have been taken in this direction.

Reforms also involve cognition of the fact that our navy, air force and army can no longer function in compartments with exclusive chains of command and operational plans.

The technological dimensions of our security cannot be divorced from

the larger social milieu. Our Armed Forces have traditionally been symbols of professionalism and dedication, embodying the values of honor and national pride. There is a need for improved career prospects and better career management. Our Government has fulfilled its promise of establishing a separate department for ex-servicemen's welfare.

There is need for greater public awareness of the achievements and sacrifices made by our Armed Forces; the latter, sadly, are almost a daily occurrence.

We are for cooperation and dialogue with all our neighbors, including joint or coordinated action on the ground, to ensure that no Indian insurgent group finds willing sanctuary or sustenance and that the supply and transit routes are totally cut off.

The Common Minimum Programme of our Government has made a commitment regarding the modernization of the Armed Forces. Adequate resources have been provided in this year's budget. There is a need for effective perspective planning so that gaps do not appear in the force structures of our Armed Forces.

The Government is determined to put in place measures to reverse the recent trend of under utilization of funds allotted, which in some instances have led to avoidable delays in key equipment reaching our Armed Forces.

As our Defence purchases are large and substantial, we must leverage them to serve the larger political and diplomatic ends. Similarly, the private sector has now emerged as a major player in the high technology area and its strengths must be utilized for creating a synergy between public and private sector in Defence R&D, development, production and even exports.

In closing, through you, I would like to convey my best wishes to the Armed Forces.

Thank You.

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050. Address by External Affairs Minister K. Natwar Singh at the All India Annual Haj Conference.

New Delhi, October 27, 2004.

Janab E. Ahamed Saheb, Minister of State for External Affairs; Janab Tanveer Ahmed Saheb, Chairman of the Haj Committee; Distinguished Parliamentarians and religious scholars;

Ladies and Gentlemen,

It gives me great pleasure to be amidst you today and to inaugurate the annual All India Haj Conference. I avail of this opportunity to convey to all of you my cordial greetings for the holy month of Ramadhan, of which today is the 12th day.

2. The Annual Haj Conference provides a comprehensive forum with the participation of Central and State Haj Committees, Members of Parliament, religious scholars and the Government officials to jointly review and deliberate upon the experiences of the previous Haj and to discuss inadequacies and flaws, if any, for ensuring better arrangements for the ensuing Haj. Today's Conference is significant because it is the first Annual Haj Conference to take place after the new Haj Act has come into force and the new Haj Committee was constituted. The Conference is also taking place after some gap of time, as there was no Annual Haj Conference last year. The new Act which repeated the old law of 1959, provides for a more representative and broad-based character to the Haj Committee, envisages better financial accountability, provides for Parliamentary scrutiny and sets out clearly the responsibilities of the various organs concerned with Haj management. The new Haj Act confers statutory recognition to State Haj Committees. Six Members of the Central Haj Committee are to be elected from the six zones through the State Haj Committees. However, it is a matter of concern that some of the States have not yet constituted their Haj Committees in accordance with the new Act. I take this opportunity to urge these States to do so expeditiously so that the task of holding Zonal Elections could be undertaken without delay.

3. Government of India attaches highest importance to the fulfillment of their religious obligations by Indian Muslims and pays close attention to the arrangements made in India and Saudi Arabia to facilitate their sacred

pilgrimage. I compliment and congratulate all those involved in making the arrangements for the Haj and for their contribution to the smooth and successful organization.

4. Welfare and well-being of Haj pilgrims has always been a matter of utmost concern to the Government. Attesting to the Government's endeavour to facilitate Haj by all interested Indian Muslims, the number of pilgrims has been increased this year by 10,000 to accommodate every applicant that has approached the Haj Committee for undertaking the Haj 2005. Thus 82,000 pilgrims will benefit this year from the arrangements made by the Government and the Haj Committee, as against 72,000 who performed the last Haj under the aegis of the Haj Committee. In addition, another 45,000 Indian pilgrims would perform next Haj through private tour operators, thus taking the total number of Indian Haj pilgrims to an all-time high of 127,000.

5. In order to minimize hardships for pilgrims traveling from interior of the country, 3 new Embarkation Points are created for the coming Haj. These are Aurangabad, Guwahati and Patna. The total number of Embarkation Points for Haj 2005 will thus be 15. We are hoping to increase the number next year.

6. For the first time, Indian pilgrims going through the Haj Committee will have an opportunity to land in Medina directly from India, resulting in saving of some expenditure and facilitating better movement of pilgrims. About 30,000 Indian pilgrims will arrive in Medina directly from India under this arrangement. This is an important milestone in the Haj logistics, as until now it was always Jeddah, which was the first point of disembarkation for Indian Hajis. Arrangements are on hand to ensure that the pilgrims landing in Medina are taken care of with regard to their needs. An exclusive and self-contained administrative unit will operate in Medina to ensure smooth arrangements for the Hajis. While the Haj Committee's responsibility is limited to the pilgrims handled by them, the Government's concern goes beyond and covers all Indian pilgrims including those brought by private tour operators.

7. Last year some restrictive measures were introduced by the previous government, diluting the Haj arrangements that have been in force over the last several decades. This restrictive regime, generated considerable resentment among Hajis, various pilgrims associations and the State & Central Haj Committees, as it caused confusion and inconvenience and in

some aspects was clearly impractical. The subsidized air fare was restricted to once in a life-time and income-tax payers regardless of their tax bracket, were barred from availing of the subsidy. Irksome affidavits were to be furnished by the pilgrims availing of the subsidy. The income tax criterion led to segregation of members of the same family into different categories of pilgrims, resulting in their physical separation during Haj. In deference to the sentiments of the public, government has reverted to the earlier practice and restored status quo ante.

8. Haj management is one of the most complex organizational tasks undertaken by the Government of India outside its borders. The government will deploy this year about 400 experienced members of administrative and medical staff from India for service in Jeddah, Mecca and Medina to assist the Indian pilgrims. The deputationists are chosen carefully to give representation to various regional and linguistic backgrounds. Besides, various State Governments are deputing over 100 Khadimul Hujjaj to provide additional support. Further, the Consulate General of India in Jeddah hires the services of local volunteers from the Indian community. India was among the first countries to send a delegation to Saudi Arabia for discussions on the arrangements for the coming Haj and to sign the Agreement with the Saudi Haj Ministry. Our Haj arrangements are acknowledged as one of the best in the world and appreciated by the Saudi authorities. Government is always sensitive to the needs of the Hajis and will continue to innovate and improvise the arrangements.

9. A significant aspect of the arrangements for Indian pilgrims for Haj 2005 is the use of Information Technology through total computerization of pilgrim location and movement including all those who have come under private tour operators. Relatives sitting in India can find out through the website of the Indian Consulate General in Jeddah, the whereabouts of their relatives performing Haj.

10. While the pilgrims going through the Haj Committee have witnessed marked improvement in their comfort level in recent times, we have received complaints from some pilgrims that private tour operators have not performed satisfactorily. As the Government is responsible for all Indian pilgrims, whether going through the Haj Committee or individual tour operators, we have put in place a stricter regulatory framework to prevent exploitation of the pilgrims by private tour operators. These measures will

enable pilgrims to fulfil their spiritual mission in an atmosphere of pity and sanctity without distractions and in conformity with the established Haj practices.

11. Improvement in Haj Management is a continuous process. The Government and the Haj Committee of India constantly strive to make the Haj as comfortable as possible but given the magnitude of the logistics of movement, accommodation and air transport, it is not easy to please all the pilgrims. The pilgrims therefore, have to show patience and understanding. I on behalf of Government of India assure you that we would consider all suggestions that would emerge from the deliberations of this Conference to bring improvement in different areas of Haj management.

12. I convey my good wishes for success of today's All India Haj Conference.

Thank you.

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051. Speech by Minister of State E. Ahamed at the All India Annual Conference for Haj.

New Delhi, October 27, 2004.

Hon'ble Kunwar Natwar Singhji, External Affairs Minister,
Chairman and members of Haj Committee of India,
Hon'ble Members of Parliament,
Chairmen and members of the State Haj Committees,
Distinguished Religious Scholars,
Members of the Media,

Ladies & Gentlemen,

As the Minister of State for External Affairs incharge of Haj matters, I welcome you all to the All India Annual Haj Conference taking place today. All India Haj Conference is an annual event. However, due to several reasons, the Conference did not take place last year. It has been my privilege covering more than a decade to be associated in one form or other with Haj arrangements of the Indian pilgrims. With the Ministry of External Affairs being responsible for all overseas pilgrimage in terms of the Transaction of Business Rules of the Central Government, it gives me added pleasure to be entrusted with Haj work by the Hon'ble Minister of External Affairs who has kindly agreed to grace today's function. I am grateful for his presence and that of Shri Praful Patel, Minister of State for Civil Aviation amidst us.

2. The Annual Haj Conference has become an institutionalized platform for all stakeholders in Haj such as the political leadership, the Haj Committees, the Government departments, the Airlines representatives, Parliamentarians and learned men of religion to air their views through transparent discussions, exchange of opinions and brainstorming sessions on the Haj arrangements. The discussions take place in a free and frank manner in a cordial setting, driven by the sole motive to provide the best possible means and facilities for the pilgrims to fulfil their cherished aspiration to perform Haj. The inputs and the insights provided by the Haj Conferences held in the past have enabled the Government to streamline the official framework concerned with the Haj management and innovate in a systematic manner through administrative and legislative measures the existing scheme of Haj operations. The Haj Conference thus serves as a

forum for several important functions. It provides valuable feedback and reflections from representatives of a cross-section of the Muslim community on the existing arrangements and their merits and demerits. Secondly, it is also the platform for working out and finalizing the Annual Haj Calendar. In this sense, today's Conference should have been organized months ago soon after the last Haj was over. However, for reasons that seemed to be inescapable, the Haj Committee of India could convene the Conference only now. Thirdly, this Conference also provides a forum for policy pronouncements by the Government.

3. Accommodation of pilgrims in Saudi Arabia and their air transport to and fro India constitute two of the core Haj arrangements which are planned and implemented well in advance of the Haj. The Government continuously strives to improve these twin requirements. I had the honour of visiting Jeddah in June this year and delivering to His Majesty the King Fahd bin Abdul Aziz, the Custodian of the Two Holy Mosques a letter from our Hon'ble Prime Minister dealing with Haj matters. I also held detailed discussions with the Saudi Haj Minister on the arrangements for the coming Haj. I am happy to report that the Saudi Haj Minister was most understanding and receptive with regard to our concerns over the needs of our pilgrims. We were able to sign the Haj 2005 Agreement, in the shortest possible time.

4. I would like to briefly recapitulate presently the progress of the arrangements. Renting of accommodation is in full swing in Saudi Arabia. While the Consul General would be able to give you more details of the arrangements finalized so far, I am informed that nearly 60,000 accommodation units have already been approved for renting in Makkah and the agreement for remaining units would be finalized shortly. Also nine contracting firms have been approved for renting of 77,000 units in Madinah. I will be undertaking another visit next month to Jeddah, Makkah and Madina for personally inspecting the various arrangements underway for our pilgrims.

5. As regards the air transport, an agreement between the Saudi Arabian Airlines and the Ministry of Civil Aviation was concluded this month. Air India and the Saudi Arabian Airlines will jointly organize airlifting of all our pilgrims between India and the Kingdom.

6. The Government is aware of the problems being faced by the pilgrims going through the Private Tour Operators (PTOs) and has started the

registration of PTOs from Haj 2003 onwards. The results have been encouraging as the cases of pilgrims remaining unattended in Saudi Arabia is on the decrease. We continue to streamline the activities of the PTOs further for the overall welfare of pilgrims going through the PTOs. Saudi Arabian authorities have issued instructions and guidelines with respect to Haj arrangements by PTO and Government is committed to implement measures in this regard.

7. The Government has taken a number of decisions in recent months which will become known from the addresses which you would be hearing shortly from Hon'ble External Affairs Minister and Minister of State for Civil Aviation.

8. Before I conclude, I wish to convey my deep gratitude to the Hon'ble Minister of External Affairs and Minister of State for Civil Aviation for making it convenient for themselves to be present with us today.

9. I thank one and all who are here for their gracious presence.

Thank you, Jai Hind.

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052. Media briefing by Official Spokesperson on India's election to ECOSOC.

New Delhi, October 29, 2004.

A major victory for India in the ECOSOC elections. Some of the agencies have already carried this story from New York but I think let me give you some more details on this.

India was reelected to the ECOSOC - the Economic and Social council of the UN securing the highest number of votes among all the members to seats for which there was a contest. The election takes place in groups. A couple of groups were elected on no contest since they had agreed on the candidate. But the Asian group was one of the groups which had a contest and in that India secured 174 votes. This was the highest tally followed by China - 157, Thailand – 153 and Pakistan – 151. These were the four candidates that were elected. Kazakhstan was the fifth candidate. It was not elected. So there were 190 member states present in voting of which India got 174.

Let me add that ECOSOC is one of the most important elections in the UN system because the ECOSOC is responsible for promoting higher standards of living, full employment, economic and social progress and identifying solutions to international economic, social and health problems, facilitating international culture and educational cooperation and encouraging universal human rights and fundamental freedoms. So, its purview extends to over seventy percent of the human and financial resources of the UN system.

We have had in the past a good record of fighting elections in the ECOSOC and this was maintained. The External Affairs Minister had taken personal interest in this election because he had said that not only India should be able to win, but it should be able to win with a record margin. To that effect he had had several meetings during his New York trip with Foreign Ministers from different countries and made India's candidature among the points of discussion. He had also sent a special envoy to the African Union Summit in Addis Ababa. The special envoy was Mr. Salman Khurshid and that obviously has also had results. This kind of performance also strengthens India's case for permanent membership of the UN Security Council which as you know would require a two-third support of the General

Assembly membership. This result shows that India is capable of mobilizing support on that scale.

To give you some more details, ECOSOC has more than 54 members out of which 18 retire each year and seats are distributed on a geographical basis.

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053. Interview of Prime Minister Dr. Manmohan Singh with the *Financial Times*(London).

New Delhi, November 5, 2004.

(By Edward Luce and Quentin Peel *Manmohan Singh, India's prime minister, spoke with Edward Luce, the FT's South Asia correspondent, and Quentin Peel, international affairs editor, at the PM's official residence in New Delhi. Mr Singh became prime minister in May after the Congress Party, led by Sonia Gandhi, the Italian-born widow of Rajiv, defeated the BJP-led coalition government.)*

Financial Times: In terms of India's relations with the European Union, doesn't it need something to get it onto a higher level – something to give it real impetus?

Manmohan Singh: The European Union is our largest trading partner. Also it is an important source of technology and capital and therefore in an increasingly inter-dependent world what goes on in Europe is of vital significance to our well-being.

But we face new challenges: the enlargement of the EU. We welcome the growth of the EU as a strong new pole of the world economy but the process of enlargement also applies to other areas that relate to Indian needs. Therefore we have a real reason to work with the EU to strengthen the multilateral trading system, which is based on non-discrimination.

The world today faces a common environmental challenge - global warming and so forth – requiring a new cooperation. India and the EU have a lot of things we can do together to meet the environmental challenge.

Like the EU we are dependent on imported energy and what goes on in the world today, the growing instability of supplies, gives rise to new challenges and the quest for energy security assumes an importance in India's scheme of things next to food security.

Question : But how can you cooperate with the European Union to make your energy supplies more secure?

Answer : The quest for energy security is second only in our scheme of things to food security. The producers must come to terms with reality that instability is not something which is conducive to the interests of either buyers or sellers. And the big influence the EU has as a big consumer of hydrocarbons - we both have a stake to create more orderly conditions in the world energy markets because energy security is of critical importance.

And we have scourges like Aids, growth of narcotics, illegal trafficking in human beings and the phenomenal upsurge in international terrorism which threatens the entire civilised world. We also have been victims of terrorism and modern democracies are often helpless to deal with these non-state actors.

These are factors that bring us together. They are global problems and they require global cooperation and therefore Indian relations with the European Union are of very great importance to us.

Question : On energy security, there has been talk of a gas pipeline to India from Iran that would come through Pakistan. Is there a way of delinking this from progress on other issues with Pakistan?

Answer : I and President [Pervez] Musharraf signed a joint statement in which we listed our joint interest in the development of this pipeline and it could be an important factor, though our view is that there are issues with regard to the security of supply. Also we felt it has to be viewed in the broader context of India-Pakistan networking of economic relations with this pipeline and many other sources of energy. We have been talking of a gas pipeline from Myanmar to our country. So we have to explore all these options.

Question : Is there an EU model in which you could base your thinking about opening up your relations with Pakistan - the whole model of creating an economic underpinning for a diplomatic rapprochement?

Answer: I certainly very much hope … the creation of the European economic union was a great act of far-sighted statesmanship. So I sincerely hope that economic ties and strengthening of economic relations with Pakistan would create in both countries the constituencies that would recognise that whatever our differences we would have to resolve them in a peaceful manner. And that is what I feel – there is a lesson from EU integration that the century old enmity between France and Germany can be resolved by working together. That is a very important lesson.

Question : Looking at the world – we face a much less stable world, especially in the last three years and on energy prices. How important is energy security to India generally, you have an inflation problem …

Answer : Energy prices are in some ways after food prices the key element of our price structure. So when they go up they do give rise to economic consequences which of course accentuate inflation and create new uncertainties. But sooner or later we have to pass the higher cost to consumers and that affects some of the most vital sections of our economy. We are trying to impart a scientific temper onto our agricultural sector, more emphasis on purchasing inputs like fertilisers, more emphasis on irrigation like tube wells. Now when the price of diesel goes up this certainly has implications so it makes our task of controlling inflation certainly more difficult than it would otherwise be.

Question : The central element of your programme is good governance. How do you crack the problem that the reform of government means also the reform of state governments and yet you rely on many state governments for your coalition to survive?

Answer : That is not entirely true that we are relying on state governments. But India's federal constitution makes it imperative for us to work with the state governments. The central government has enough instrumentalities, both the carrot and the stick - provided the central government knows its mind - to ensure that the reform process goes forward. My feeling is that we are going to succeed in that. We need a lot more decentralisation. There are several ways in which we can decentralise. One is relying more on market forces. The other is that there are certain functions that can only be performed at the local level or at the state level should not be taken over by the central government.

Now, Rajiv Gandhi had a vision that many of the problems that the people of India have with government are regarding the functioning of local government, therefore he brought the 73rd and 74th constitutional amendments, giving new life and new powers to the grassroots institutions of the *Panchayati Raj*. While we have partially succeeded, there is still a reluctance on the part of state politicians and state governments to transfer more powers [to the grassroots institutions].

Most people come into contact with government when they have to go to the state electricity board to get power, or to get their ration card for food, or pay their electricity bills, or in quality of the municipal sewerage systems. So reform of government can only be solved only by decentralisation and strengthening the *Panchayati Raj* institutions, giving them more power, both financial and administrative power, making these organisations financially strong and more accountable to the people at large. That is one part.

The other part is that function which the government performs: We should throw open government enterprises to greater participation in the market economy. Even if we retain units in the public sector, we would like many of these public sector units to have their shares traded on the national stock exchange. So there would be a market test: if they are not doing well this will be caught by the market forces. So these are the various instruments which we need to develop if we are to succeed in improving and instilling a new culture in our public system a commitment to excellence and to meet our concerns about social equity.

Question : Most people appear to agree with your proposed reforms of governance. But the one question they have is the speed with which you will achieve this – there seem to be a lot of new commissions and committees.

Answer : Well, commissions are only a means to generate wisdom. What needs to be done, by and large we already know. Today I am meeting the chief secretaries of the states. What needs to be done is fairly clear and fairly obvious. We don't have to wait for the reports of the commissions to take corrective and remedial action in many areas.

Question : On Pakistan, you had a very good one-to-one meeting with General Musharraf in New York in which you said you were open to any

options he put forward. And yet last week when he made a proposal on Kashmir it was peremptorily dismissed by India. Is that fair to Gen Musharraf given the risks he is taking?

Answer : Our position is that so long as Pakistan remains committed to the January 6 statement, which was jointly issued by Gen Musharraf and by the former prime minister Vajpayee - that territory under the control of Pakistan will not be used to promote cross-border terrorism - we are willing to look at all possible ways of resolving all outstanding issues and that includes Jammu Kashmir.

I believe that when dealing with seemingly intractable problems one has to be confident of one's own sincerity in trying to find a solution. This was my perspective when I had a very useful hour-long meeting with President Musharraf on the margins of the UN General Assembly on September 24. This provided us an opportunity to get to know each other.

Now President Musharraf has been ... realistic enough to say that solutions that are not acceptable to India should be out and solutions that are not acceptable to Pakistan should be out, and I said to him that I would like to hear suggestions from him. So we welcome various suggestions. We are dealing with complicated issues. There is such a thing as history behind us and there are also realities on the ground. Taking all this into account we are willing I think to look all options. To think about a new chapter and a new beginning between our two countries.

Question : There are two rather dramatic processes that have been happening. One, India's economic growth and opening up in the last 10 years which means you want more trade and open borders. Pakistan, on the other hand, has had the shock of the overthrow of the Taliban and the whole focus on terrorism. Therefore there are real possibilities of movement.

Answer : A strong stable and prosperous Pakistan is in our interest. We don't want any of our relations to enter the category of a failed state. We have a vested interest in Pakistan's prosperity.

Question : It's a very good moment for movement isn't it?

Answer : Well, I share that feeling when I signed that statement I stated as much in the thoughts that I put into that statement. The atmosphere is right and we must build on that atmosphere to begin the new chapter in the relationship between the two countries.

Question : There is in India a strong resistance to internationalising the Kashmir issue. And yet there is a strong interest in Europe and America in a solution.

Answer : As friends, we discuss all issues and we are living in a world where distance is lost. But it is our honest belief that in the relationship between India and Pakistan if a durable solution is to be found it cannot be imposed from outside. It has to be a solution in which both countries genuinely believe it is in their own best interest. Therefore we believe that bilateral negotiations are the best means to resolve the outstanding problems.

Question : People focus on the role of the communists in your coalition, but we're at a moment when the opposition BJP is very weak. Does this give you an opportunity to get things done?

Answer : It is the duty of our government to provide leadership but we are dealing with very sensitive issues and, given the history of these problems, we have to evolve a broad-based national consensus to move forward. It will be my effort towards the opposition to convince them that what we are doing is in our national interest.

Question : Do you worry that the BJP in opposition is returning to hard-line Hindu nationalism?

Answer : Well, it is very worrisome - it is very worrisome. One had hoped that six years in office would convince the BJP leadership that India's best interests are safeguarded through the strengthening of Indian institutions and by moving to an inclusive economy and beyond a feudal society. I recognise that political compulsions sometimes overwhelm. But recent signs that have been made at the BJP meetings are not very welcome developments. But I still hope that the current leadership of the BJP does recognise what are the imperatives of the situation.

Question : A lot of people outside of India are worried that your communist allies could act as a drag on economic reform – insurance and telecoms liberalisation appear to be held up. There are also worries that you will be engaged in a kind of permanent crisis management with the left. What do you say to those fears?

Answer : Well, the proof of the pudding will be in the eating. We are engaged

in a healthy debate on the pros and cons of many issues. I am constantly in touch with leaders of the left parties and am convinced that have a reasonable appreciation of what is possible and what is not. It is wrong to interpret a democratic debate as "permanent crisis management."

In the long run a reform programme that has the widest possible social and political support is more enduring. I would like the world to appreciate the fact that we have been successfully carrying out reforms for over two decades within a democratic framework. Few countries in the developing world have been able to implement such far-reaching reforms within the framework of a parliamentary democracy. Public debate and dissent is a source of strength for us, not a source of weakness.

I am pretty confident that our government will last for a full term, that it will be a responsible government and a forward-looking government and I have every reason to believe that the left will not be an obstacle. They have their concerns and these concerns about social equity and the reform process doing something to uplift the poorest sections of our society, I think these are concerns that are close to my heart as they are to the hearts of the left.

Now, we sometimes differ about the mechanics, the modalities of how to get there. But the last six months that I have been working with them, I am pretty confident that we can evolve a meaningful and forward-looking consensus – of that I have no doubt. I find great confidence in my own belief and the conviction among the left, that this government must stay the whole five-year term to fulfill its mandate. That I think will keep this government on the reform path.

Question : When you met President George W. Bush in September, did you raise the issue of outsourcing to India and the apparent backlash? And what would be your main priority for phase two of the Next Steps partnership with the US? Would you see the US as a "natural ally" of India?

Answer . We do not see outsourcing as an India-US issue. We believe that outsourcing is mutually beneficial and an integral element of globalisation. It is based on basic economic principles and premised on competitiveness and comparative cost advantages. I do hope that an objective view would emerge which would see this as a win-win situation for both countries, and in fact for all countries involved. Any suggestion that this is an effort to

attract jobs away or to deprive workers of their livelihood - and to link this to possible conditionalities - contradicts the momentum of globalisation and trade liberalisation.

The Next Steps in Strategic Partnership (NSSP) between India and the US is an ongoing process. The first phase of this was concluded in mid-September and now both sides are working on modalities to implement the subsequent steps. We have set in place mechanisms that involve regular meetings and contacts to ensure speedy implementation.

In the joint statement issued after my meeting with President Bush in New York, we emphasised the priority that we attach to moving forward on the entire gamut of our relations expeditiously. We also noted that our relations are closer than ever before and set the directions for further development of a bilateral strategic partnership. I told President Bush, and he agreed with me that the best in India-US relations is yet to come. There is a joint perception that a strong partnership between India and the US, with our shared values and interests, and encompassing working together in international fora would strengthen global security and stability.

Question : Our last question is on China. It is amazing how much India-China ties have opened up over the last few years. What progress would you like to see further and would you like to see next – perhaps opening up the land border to get closer trade infrastructure ties?

Answer : Well, our economic relations with China have grown very substantially – I think trade is now $10bn. We are very determined that notwithstanding the border problem, we should not allow the border problem to stand in the way of the further development of our economic relations.

But even with regard to the boundary question, we want to carry forward the process. We have set up special facilities, our two countries' special representatives have met and will be meeting again next month to evolve a framework for resolution of the boundary question in the wider background of political relations between our two countries. I am looking forward to welcoming the prime minister of China early next year so I take a very optimistic view of development in our relations.

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054. Speech by Prime Minister Dr. Manmohan Singh at the *Hindustan Times* Leadership Initiative Conference, "India and the World: A Blueprint for Partnership and Growth."

New Delhi, November 5, 2004.

Shobhana Bhartiaji,
(President Kumaratunga, Mr. Major, Dr. Kissinger),
Ladies and Gentlemen,

I am delighted to be here this morning to inaugurate The Hindustan Times Leadership Initiative Conference on the theme "India and the World : A Blueprint for Partnership and Growth". I am grateful to Shobhana Bhartiaji for giving me this opportunity to share my thoughts on the subject with such a distinguished audience of eminent scholars, political leaders and policy analysts. I commend her and The Hindustan Times for taking this initiative. Your conference has become an important annual feature in the intellectual calendar of our national capital. I am also delighted to see so many friends both among the participants and in the audience. I do wish I had the time to be here right through your deliberations so as to learn from the wealth of intellectual opinion gathered here.

The theme of "India and the World" has often been debated in this country over the past half century. From the time of our Independence, when we tried to re-fashion our interaction with the outside world, this has been a subject of considerable discussion. The intellectual foundation for this debate was laid by Mahatma Gandhi when he said, "I want the winds from every corner to blow through my house, but I refuse to be swept off my feet by any of them."

Pandit Jawaharlal Nehru echoed this idea, while emphasizing the importance of national sovereignty in shaping the interaction with the outside world, when he wrote in the Discovery of India, "Today India swings between a blind adherence to her old customs and a slavish imitation of foreign ways. In neither of these can she find relief or life or growth. India will find herself again when freedom opens out new horizons, and the future will then fascinate her far more than the immediate past of frustration and humiliation." Panditji hoped that with freedom gained India "will go forward with confidence, rooted in herself and yet eager to learn from others and co-operate with them. It is obvious that she has to come out of her shell

and take full part in the life and activities of the modern age."

To 'take full part in the life and activities of the modern age' and to establish 'partnerships for growth' are, indeed, the challenges that we have been grappling with in our interaction with the world. Perhaps no other post-colonial nation has debated so intensely and in so open a manner the terms of engagement with the world as we have in India. In the early years of de-colonisation, later through the heat of the Cold War and, more recently through the rough and tumble of the post-Cold War era we have debated at length the nature of our relationship with the world, the possibilities of partnerships and the potential for growth. Broadly speaking the debate has been within two perspectives : the political and strategic and the economic and commercial. Even your conference has been conceptualized within this framework. When you title your conference theme as "India and the World : A Blueprint for Partnership and Growth", I believe you are looking at political and economic partnerships and would like to see how these will accelerate the process of economic growth.

Undoubtedly, these issues lie at the core of our concerns. Our foreign policy and our economic policy have evolved over the years to enable us to derive the benefits of our interaction with the world while addressing the challenges that have come our way. While there are bound to be party political differences in priorities and perceptions in a democracy, it must be recognized that there has been an element of continuity, mirroring an evolving consensus, on many aspects of our foreign and external economic policy. I draw your attention to the fact that the initial response of our Government in the early 1990s to the new post-Cold War world has since evolved, under successive governments, in a direction set by us at the time. Be it our foreign policy, both with respect to major powers and other nations, or our external economic policy, there has been continuity with change. I am sure your conference will devote time to a deeper consideration of these issues. Suffice it for me to say that in the heat and dust of our domestic debates on foreign and external economic policy we should not lose sight of the fact of this emerging consensus on our political and economic interaction with the world.

I sincerely believe that India's standing in the world will, in the final analysis, be defined by our domestic capabilities, by the well-being and creativity of our people, by the resilience of our political and social institutions.

Our Government would like to give the highest priority to an acceleration of the rate of economic growth through a process of economic and social development that is equitable and just. As an open society and an open economy we will have to engage the world at all levels and in all spheres. It is with this understanding that we seek a larger role for ourselves in global institutions and would like to help strengthen and broad base multilateral institutions. India has to be an active trading nation and is therefore committed to strengthening a rule-based, transparent and consensual multilateral trading regime.

India's economic engagement of the world must match up to our size and scope. I would like to see closer and wider economic engagement between India and our Asian neighbourhood. I would like our business leaders to explore the full potential of the creation of an Asian Economic Community. We seek mutually beneficial relations with all our Asian neighbours and will work closely with Asia to realize our combined aspiration to make the 21st Century an Asian century. We would like to see a widening and deepening of our economic relations with China, Japan, the member countries of ASEAN, the Central Asian Republics and our traditional friends in West Asia and Africa. We want a neighbourhood of peace and shared prosperity in which people, goods and services can travel with ease across borders. South Asia must regain its pre-eminence in the global economy as a sub continent of creativity and enterprise. We would like to inject new energy into regional associations like the South Asian Association for Regional Cooperation and the Bay of Bengal Initiative for Multi-sectoral Technical and Economic Cooperation (BIMSTEC). It is in our shared interest to wage a joint struggle against poverty and ignorance.

We will continue to strengthen our wide-ranging and many sided relationship with the United States, European Union and Russia. As a responsible nuclear power we are firmly committed to nuclear non-proliferation and will cooperate with the world community to prevent the proliferation of weapons of mass destruction and deal with the threat of terrorism. India is committed to work with the international community to make the world a safer place to live in. We will pursue energy security within a cooperative framework working with other countries to ensure the security of oil supplies, of pipelines and sea-lanes of communication. We are equally committed to working with the international community in tackling other global threats. The threats to the environment, the threat of

communicable diseases and the pandemic of HIV/AIDS are all global challenges. The world is a “global village” and so we must address these challenges as members of a cooperative global community.We will continue to strengthen our wide-ranging and many sided relationship with the United States, European Union and Russia. As a responsible nuclear power we are firmly committed to nuclear non-proliferation and will cooperate with the world community to prevent the proliferation of weapons of mass destruction and deal with the threat of terrorism. India is committed to work with the international community to make the world a safer place to live in. We will pursue energy security within a cooperative framework working with other countries to ensure the security of oil supplies, of pipelines and sea-lanes of communication. We are equally committed to working with the international community in tackling other global threats. The threats to the environment, the threat of communicable diseases and the pandemic of HIV/AIDS are all global challenges. The world is a “global village” and so we must address these challenges as members of a cooperative global community.

An important aspect of our interaction with the world is the role of the so-called Indian “diaspora”. There is a strong emotional link between the global community of people of Indian origin and the Motherland. I am convinced that if we create at home the right environment and the required infrastructure we can draw on the creativity and enterprise of overseas Indians in building a more vibrant and dynamic economy at home.

Ladies and Gentlemen,

I would like to take this opportunity to focus your attention on an altogether different aspect of our interaction with the world. This pertains to the dialogue between nations and civilizations. An ancient, civilisational nation like ours, home to more than one great religion of the world and many philosophical traditions; a land of linguistic and cultural diversity; and, located at Asia’s cultural crossroads, has quite naturally and understandably a unique position in the world. The world expects us to bring to the table of global discourse something more than strategic partnerships and market opportunities, important as both these are and open as we are to engaging the world on both these fronts.

I submit to you that India has something more to offer, that is specially relevant to the on-going global discourse pertaining to the two great

challenges of our time, namely, globalisation and the notion of a "clash of civilizations". Both these debates have often been conducted as if the debate is a battle between contending world-views. The media has often succumbed to the temptation of turning every dialogue into a debate by defining the terms of the discussion in binary opposites. Are you "For" or "Against"? Are you with "Us" or "Them". Reality can never be captured in black and white. It is always represented in an array of colours.

India's unique contribution to the world has been the notion of the many-sidedness and the constant and continuing discovery of Truth. The idea of unity in diversity, drawing on the wisdom of our forefathers who spoke of "Vasudhaiva Kutumbakam" – that translates as "The Whole World Is One Family" – is a powerful yet practical political basis for dealing with these twin challenges of our times.

It is that philosophical tradition that inspired our freedom struggle and that enabled a peaceful transfer of power. It is that notion of cooperative pluralism that was the basis of our democracy. Our democracy, like our civilization, has been built on the notions of "unity in diversity" and inclusive pluralism.

The idea of a "clash of civilizations" goes against the grain of our civilizaton. Like many tributaries joining andflowing together as a mighty river, diverse religions and cultures have combined to form the mighty river called India. What is a river but a confluence of its tributaries. The Ganga and the Indus, the two rivers that play a central role in the very definition of our civilization and identity are made wide and deep by the coming together of so many tributaries. When we revere the Ganga at its widest expanse in the plains we recognize the many rivers and tributaries that over time and space join it. India too is defined in this manner. A land of diversity, through time and space, where modern democracy has come to be built on the notion of pluralism and inclusiveness.

Admittedly, there are those even among us who do not share this syncretic view of India. They not only believe in the "clash of civilizations" but wish to encourage it. They do not, indeed cannot, represent the true spirit of our ancient land. As Sunil Khilnani and Pratap Bhanu Mehta have so eloquently argued in their thoughtful books, India's most important contribution to the world is the idea of syncretic pluralism that has shaped the institutions of an inclusive democracy. I am aware of the skepticism

expressed by Fareed Zakaria about the "illiberal" aspects of democracy. But with all our faults and limitations, with all the challenges and shortcomings we have succeeded in stabilizing representative democracy and ensuing the smooth transfer of power after every election at all levels of democratic representation in a country of continental dimensions with an electorate of over half a billion people.

That is the basis on which we can build a meaningful partnership with the world. We have, through history, approached the world as seekers of knowledge and opportunity. Indians have always reached out to the world as teachers and traders, as writers and workers, and never as conquerors.

The world has increasingly come to accept that open societies and open markets are the most natural and stable form of social and economic organization. What is now increasingly clear is that an inclusive democracy, based on the principles of pluralism and multi-culturalism, is the most enduring means of dealing with the challenges posed by open markets and open societies.

The world community has been actively engaged in recent years in dealing with the perceived threat of globalisation and of political extremism in its various manifestations, ranging from ethnic cleansing to Jehadism. There are no military solutions to such challenges. There are no unilateral solutions either. Any meaningful solution must be based on the principles of democratic pluralism and inclusivism, the respect of the rule of law and of diversity of opinion and faith. The voice of moderation has to be empowered in all societies to make the world a better place to live in. The principle of an "eye for an eye", as Gandhiji often reminded us, would leave us all blind.

Friends,

Economists quantify our engagement with the world in terms of our share of world trade and capital flows, while strategic analysts look at military and political alliances. I submit to you for your consideration the idea that the most enduring engagement of a people with the world is in the realm of ideas and the idea we must engage the world through is the "Idea of India", the idea of "Vasudhaiva Kutumbakam". The idea that even if nations may clash with one another, cultures and civilizations can co-exist. The defining feature of the 21st Century is not that it will be marked by a "clash of

civilizations", but that it will be shaped by a "confluence of civilizations".

I believe the world community can deal more meaningfully with the challenge of globalisation and the threat of terrorism by enabling a dialogue between nations and a "confluence of civilizations". India must actively engage the world towards this end. By rejecting the politics of exclusion and voting in favour of the values of secularism and pluralism that we cherish, the people of India have once again given us a reason to hold our head high in the comity of nations.

Those of us who celebrated the end of the Cold War and hoped to reap a development dividend from it are today dismayed by the new ideological divides that threaten global peace and prosperity. The ideology of a "clash of civilizations" and of terrorism is a threat to world peace. We must empower the voices of moderation and of civilized discourse to enable a "confluence of civilizations" to make the world a better and safer place to live in.

Just as many developed industrial economies assisted the so-called "Economies in transition" to make the transition from centrally planned economies to open market economies, the experience of a democracy like ours can be of some help in enabling "Societies in Transition", to evolve into open, inclusive, plural, democratic societies.

When the United Nations and the Governments of other democracies reach out to our Election Commission seeking its assistance in conducting elections we feel a sense of pride in our democratic processes and institutions. Our Election Commission has no peers anywhere in the world. It has established an enviable record of efficiency and transparency in the conduct of elections from Kanyakumari to Kashmir.

Let me assure you that in putting forward my views on how we can contribute to the strengthening of democracy in the world, I am not advocating diplomatic activism, nor would we in India ever advocate any form of political interventionism. Far from it. We recognize the sovereign right of every country to order its affairs in the manner most desired by its people. But I do believe that our experience can be of some help to the world community in its quest to strengthen the institutions of democracy and the idea of inclusive pluralism.

The partnerships we seek and the basis of growth we wish to create

should rest on this foundation of our commitment to the values of inclusive pluralism and multi-culturalism within the framework of an open society and an open economy. This is the promise our Government has made at home. This is the experience we should happily share with the world. Our nationhood and our Republic are intrinsically linked to our commitment to democracy and our democracy has endured because we have enabled at home a dialogue between civilizations.

This is our message to the world and we should not shy away from opportunities to strengthen the institutions of democratic pluralism whenever we are called upon to do so. We know from our own experience that the world would be a safer place and growth and prosperity would be ensured if we can enable the "confluence of civilizations" within the framework of democratic pluralism. The partnerships for growth that we can build on that basis will be truly enduring. I think the time has come, as Panditji long believed, for India to "come out of her shell and take full part in the life and activities of the modern age."

Friends,

I will be grateful to the many learned people assembled here if you will consider some of these ideas and educate me whether I am correct to view our engagement with the world in these terms. I wish the Conference all success and look forward to learning of its deliberations.

Thank you.

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055. Press release of the Ministry of Defence on its Annual Report 2003-2004 describing Terrorism as the "Primary Security Concern to India".

New Delhi, November 5, 2004.

Terrorism continues to be India's primary and most immediate security concern. This has been stated in the Annual Report of the Ministry of Defence for the year 2003-2004 released in New Delhi today.

The report says, Pakistan has been the source of infiltration, cross-border terrorism, military adventurism, nuclear and missile posturing and threats. India's strategic location at the centre of the arc of extremist activism and terrorism, amplified by a history of Pakistan's use of it to wage a low-intensity proxy war against India; the prospect of terrorists getting access to weapons of mass destruction and the wanton disregard they have for the lives of other and themselves, require that India be particularly on guard against the phenomenon.

The Defence Ministry feels that the principal threat to peace and stability in the region remains the combinations of fundamentalism and terrorism nurtured in madarssas and training camps in the area and the history ingrained adventurism of a section of the Pakistan military motivated by its obsessive and compulsive hostility towards India.

The report says that unlike the non-state nature of most domestic and local manifestations of terrorism and the international terrorism of Al Qaeda or the Jemmah Islamiyah, the terrorism faced by India is typically cross-border and State – sponsored.

According to the Defence Ministry, diplomacy remains India's chosen means of dealing with these challenges, but effective diplomacy has to be backed by credible military power. India's strategic and security interest require a mix of land based, maritime and air capabilities and a minimum credible deterrent to thwart the threat of use of nuclear weapons against it, the report says.

Referring to India's security preoccupations which are determined by the dynamics of the global and regional strategic and security environment, the report says, India's location at the centre of an arc of terrorism between North Africa and South East Asia, its close proximity to

a key source of nuclear proliferation and the continuing acts of terrorism from across her western border require it to maintain a high level of vigilance and defence preparedness. According to the Annual Report of the Ministry of Defence, the nature of new threats has also reinforced the need for international cooperation to combat terrorism and proliferation of weapons of mass destruction and underline the role that India could play in the global response against such forces. Few countries in the world face the range of security challenges, concern and threats that India faces today, says the report.

The Defence Ministry report says India has faced a series of low intensity conflicts such as a proxy war fanned by radical Jehadi outfits and supported by state institutions; insurgencies, in many cases tolerated, aided or abetted by sources from outside India and spillovers of conflicts in neighbouring states. At the other end, it inhabits an environment in which two of its neighbours have nuclear weapons and missiles and its immediate neighbourhood has been a source of nuclear proliferation, the report adds.

Expressing concern over the activities of the superpowers close to our coastlines, the report says the seas surrounding India have been a theatre of super power rivalry in the past and continue to be a region of heightened activity from and by extra-regional navies on account of global security concerns.

Dealing with the situation in the Indian sub-continent the report says, despite close and good relations with most of its other immediate neighbours, lesser security problems continue to complicate relationships. Bangladesh has not been responsive to India's concerns regarding the presence and activities of Indian insurgent groups from the northeast and the Pakistani Inter–Services Intelligence (ISI) on Bangladesh soil, large-scale illegal immigration and border crimes. In Nepal, the growing influence and grip of the Maoists throughout the country particularly in the Terai areas bordering India's and their links with left extremist outfits in parts of India are a cause of serious concern. Appreciating the efforts of Bhutan, the report says that it displayed courage and good-neighbouriless in acting against military camps and bases of operations of Indian insurgent groups within its territory in the interest of mutual security. About Myanmar, the report says that despite periodic coordination of efforts, Indian insurgent groups from the north-east continue to operate from camps in Myanmar.

Referring to the menace of terrorism and trafficking in and proliferation of arms and drugs in the region, the report says in the midst of this, India stands as a center of economic gravity in the region, a bastion of stability and a symbol of peaceful coexistence and non-violence. An appreciation of India's security concerns and its security is thus critical to regional and global stability and security, the report adds.

India and China have stepped up efforts to build mutual trust and confidence. Both sides are trying to address differences over the boundary question and are agreed that pending an ultimate boundary settlement, the two countries would work together to maintain peace and tranquility in their border areas and continue to implement the agreement signed for this purpose.

At the same time, China's close defence relationships with and regular military assistance to Pakistan, including assistance in the latter's nuclear missile programmes at critical stages, it build up in the Tibet Autonomous Region, its military modernization, its nuclear and missile arsenals and its continental and maritime aspirations, require observations.

The report has highlighted four key elements fundamental to India's security planning, they are:-

(a) The Indian Armed Forces have to be prepared for the full spectrum of security challenges from terrorism and low-intensity conflict to conventional war and the possibility of the use of nuclear weapons and missiles.

(b) India not being a member of any military alliance or strategic grouping, requires a certain independent deterrent capability.

(c) Due to an externally inspired low-intensity proxy war, India's Armed Forces are involved in internal security functions – more than most other armed forces – requiring a corresponding force structure and orientation.

(d) India's interest and responsibilities in the North Indian Ocean, including security of her EEZ and island territories, and shipping in the region, highlight the need for a blue water naval capability commensurate with its responsibilities.

The Defence Ministry Report says India remains fully committed to maintaining peace with its neighbours and stability in the region through a combination of defence-preparedness, unilateral restraint, confidence building and dialogue and expanding bilateral interactions. According to the Report, in the area of defence preparedness, India has reformed its higher defence management and streamlined procurement procedures. Its force postures remain defensive in orientation while its nuclear polity is characterized by a commitment to no-first-use, moratorium on nuclear testing, minimum credible nuclear deterrence and the rejection of an arms race or concepts and postures from the Cold War era.

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056. Address by External Affairs Minister K. Natwar Singh at the *Hindustan Times* Leadership Initiative, Session: Regional Cooperation for Growth and Prosperity.

New Delhi, November 6, 2004.

Mr. Surakiart Sathirathai, the distinguished Foreign Minister of Thailand,
Mr. Vir Sanghvi,
Friends, Ladies and Gentlemen,

This session is devoted to discussing regional cooperation, but I would like to place my remarks in the larger context of a rapidly transforming global order and what India sees as its role in shaping the architecture of that emerging order.

The twenty first century is already beginning to look like a confused tangle of competing forces, confronting States with issues of governance for which there are few reference points, even in recent history. Our impulses remain rooted in our conception of nation states and yet there is virtually no challenge we are called upon to address, which does not have, at the same time, a regional or global dimension.

The line between what is the realm of domestic policy and what constitutes external affairs is constantly being eroded, demanding a degree of coordination and consultation within arms of government that are most comfortable working in compartmentalized hierarchies with clearly marked

out territories. The challenge for India lies in its capacity to fashion a foreign policy that addresses concerns, which have multiple dimensions and evolve an efficient instrument to deliver that policy. To borrow an analogy from the military field, but with entirely peaceful intentions, not only do we need a potent warhead in the form of good policy; we also need an efficient delivery system in the shape of our external affairs establishment.

What is India's world vision, what is the place we wish to occupy in the emerging international landscape? It should come as no surprise that, as a flourishing democracy, India believes that democratic values are as relevant internationally as they are within our own country. We need a more equitable international order, where global challenges are addressed through collective decision-making, through the forging of broad consensus and not through a process dominated by the few. Just as the rule of law is essential to democratic functioning within countries, so is it necessary to restrain the strong and safeguard the weak in the community of nations.

We see a major role for the United Nations in the emerging international architecture, but we believe it can play this role only after significant reform, reform that makes its structure and its functioning much more democratic than it is currently. Most UN members today recognise the need for an enlarged and restructured Security Council, with representation by more developing countries. India's claims to permanent membership arise not just because of our civilizational legacy and our representation of one sixth of humanity. They arise because we are the world's largest, most vibrant democracy and the fourth largest economy in terms of purchasing power parity. They arise because of India's unswerving commitment to the ideals and activities of the UN. They arise because of India's impressive record of participation in UN Peacekeeping Operations.

We also believe that a more democratic international order is also integrally linked to a more equitable sharing of the world's resources, a recognition of our interdependence for sustainable development and the mobilization of our considerable scientific and technological resources for the banishment of poverty from our midst. Development must return to the center of our international discourse and we must endeavour to create, collectively, an economic environment, where each nation and peoples have a credible opportunity to seek a decent livelihood with a sense of dignity and self-respect. Just as we need an international political order that is

based on law and accepted norms, so too, is there need for a rule-based multilateral trading system. We have to collectively acknowledge what has been increasingly evident for some time - islands of prosperity in a sea of poverty, are simply unsustainable.

India wishes to play a leading role in shaping the global order that is in the making. We believe we can and must play this role not merely because we are a nation of a billion people, or because we are an emerging economic powerhouse or because we have always been active in the international scene. We bring to a troubled and divided world our unique civilizational attributes. India is a multi-ethnic, multi-cultural and multi-religious society where plural democracy has been, despite a few setbacks, an outstanding success. Through the centuries, India has been at the cross-roads of multiple influences and its creative genius has drawn strength from all the different cultures and religions that have found place in its welcoming fold. For India, diversity is strength, not a weakness. It is a source of creativity, not a threat to unity. At a time when the world is watching with anxiety the sharpening edge of assertive ethnic and religious identities, we are a living refutation of the pernicious theory of a clash of civilisations. We believe that in resolving the contradictions that a globalising world is confronting, India is uniquely placed to deliver a message of harmony and creative co-existence.

There is another reason why India is destined to play a leading role in the transformation that the world is undergoing. Classical economics made development the function of putting together land, labour and capital as the primary resources available to a country. Today, the critical resource for development is knowledge and the society of the future is the Knowledge Society. Countries which will be in the forefront of economic advancement and will lead change, instead of being overwhelmed by change, are those which have an abundance of human skills and command over knowledge. In this perspective, India with its vast pool of skilled manpower, covering the entire spectrum of human endeavour, and not merely information technology, is uniquely placed to make a significant contribution, by becoming a knowledge powerhouse for the entire world.

It is within this over-arching world vision and rooted in a unique civilizational ethos that we must conduct India’s foreign policy. We have to recognize the ground realities, which we face, but we must also seek to transform them in line with our vision.

In international affairs, what are the challenges that confront us today? To my mind, the world must adjust to the emergence of both China and India as major actors on the global scene. There is a clear sense that the two Asian giants have much to gain by cooperating together in nudging the world towards multipolarity and multilateralism. And they are beginning to discover that each can contribute to the economic dynamism of the other as large developing economies. It is no accident that trade between us will probably exceed $ 12 billion this year and continue to grow at a breathtaking pace.

The world must also contend with the disappearance of the Soviet Union and its point of view. You may or may not have agreed with that point of view but at least it represented an alternative point of view. Its disappearance has led to unprecedented power and global influence being exercised by just one country today, the United States. For India, relations with the U.S. have a special flavour because we are both vibrant democracies. Our perspectives on specific issues may be different and that may lead to differences in policies. However, we share a great and enduring affinity as peoples wedded to democratic values and today there is such a broad range of interaction between the two countries across the board, that U.S. election results do not fill us with any great uncertainty or doubt. India-US relations are beginning to acquire a degree of stability and predictability and a willingness to work together on shared concerns.

For India, Russia is a key interlocutor and a reliable partner. The challenge for both countries has been to manage the transition from the Soviet Union to Russia, even while the strategic convergences that underlay Indo-Soviet friendship, continue to be valid. Today there is need for India to engage with Russia at many different levels, interacting with many newly emergent constituencies in a much more diffused polity. This will be one of the major policy objectives of our Government.

Another area of pre-eminent challenge for us is to create a congenial neighbourhood with peaceful and tranquil borders, and the pursuit of a common destiny of shared prosperity for the 1.5 billion people who inhabit the sub-continent. This has to be pursued in a complex environment, where the sub-continent is dominated in terms of area, population and economic resources, by India and where India has land or maritime boundaries with all its South Asian neighbours. It is only natural, but not necessarily inevitable,

that our smaller neighbours look upon India with some degree of apprehension and fear of domination by it. A key objective of our policy is to reassure our neighbours, and anchor this assurance in a virtuous web of cross-border, economic and commercial linkages. Once India is looked upon as an opportunity, then India's size and its economic strength would become an asset rather than a liability in dealing with our neighbours. The road to a South Asia, which is at peace with itself, lies in economic integration. It is in this spirit that we will be approaching the forthcoming 13th SAARC Summit in Dhaka in January 2005.

Yet another challenge that the world confronts is dealing with the menace of international terrorism. Terrorism threatens not only growth and prosperity, but the very foundation of civilised, democratic societies. This scourge respects no boundaries. The same bomb that kills and maims in Mumbai today can cause death and destruction in another part of the world tomorrow. For this reason, there can never be a category of good terrorists and bad terrorists.

The events following September 11 have created yet another challenge - how to deal with the problem of extremism and fundamentalism without wounding the self respect of the Islamic world. Today, there are 54 Muslim countries which are members of the United Nations. There is no doubt that the unfortunate juxtaposition of terrorism and Islam has hurt Muslim psyche across the world from Mauritania to Medan. It is the responsibility of all of us to provide the healing touch. India with its history of interaction and peaceful coexistence with Islam for more than a thousand years is again uniquely placed to assist in this process.

In pursuing all these objectives, the Ministry of External Affairs will coordinate policy with a number of other actors. At the central level, this involves working together with the Ministries of Home and Defence, the Economic Ministries and security agencies. Equally important is regular consultation and coordination with the Governments of bordering States. Currently, our effort is precisely to promote such consultation and coordination, make it a regular habit, rather than a sporadic event. In a very real sense, we are witnessing a domestication of diplomacy, which is changing the way we conduct our foreign policy.

Ours is a coalition Government and it has been in office for less than six months. When it came to office, there were doubts expressed on whether

it would have the capacity and even coherence to deal with emerging challenges. The first diplomatic crisis we faced was the hostage crisis in Iraq, and we came out successfully having saved the lives of our citizens without compromising our principles. With Pakistan, not only have we carried forward the dialogue process, but have also replaced a reactive mindset with a pro-active, forward looking strategy which is beginning to yield results. We did not let the change in Government disturb the tempo of our engagement with the U.S., and it is our Government, which was able to move decisively to conclude the Next Steps in Strategic Partnership (NSSP). It is this UPA Government which has brought India to the threshold of UNSC permanent membership using skilful diplomacy to get the four major aspirants, India, Brazil, Germany and Japan, on the same platform. Our ability to mobilize a majority of UN members in India's support was again on display when India won the highest number of votes in the recent elections to ECOSOC - 174 as against 152 by even a UNSC permanent member China. We have used all the tools of our diplomacy to support India's quest for reliable energy supplies, seeking and obtaining opportunities in Angola and Sudan in Africa, Kazakhstan in Central Asia and Myanmar in South East Asia. We have made India an indispensable partner in every key region of the world. In two days from now, India and the EU will announce a Strategic Partnership, which will transform our relationship with an expanded union of 25 European countries. By any yardstick, this is a significant achievement for a Government, which has been in office for only five months, and I can promise that there will be many more successes in the days to come.

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057. Speech by External Affairs Minister K. Natwar Singh to flag-off the Chalo ASEAN Rally.

New Delhi, November 15, 2004.

Mr. Sunil Kant Munjal, President, CII
Mr.Rajiv Sikri, Secretary (East), Ministry of External Affairs

Friends,

Good Morning!

My colleague, Shri Sunil Dutt was to be here doing the Honours but he had to go to Mumbai for Eid and I am here deputizing for him.

We are in festive mood. We just finished Deepawali celebrations two days ago. We are observing Eid today. Let me convey Eid greetings to all our Muslim brotherhood throughout the world.

The Chalo ASEAN Rally is also a kind of festival meant to propagate the message of development, friendship, harmony and peace between India and ASEAN countries.

We are living in a time that is evolving fast. The process of globalisation has touched every country, big or small. We have to learn to swim with it. I am glad that ours has always been an outward looking society that has made friends with all and we are doing well to integrate ourselves with the world economy and society.

With ASEAN countries, we share age-old bonds. They were disrupted during the two centuries of colonial rule and thereafter, the East-West divide. I am glad that as part of India's Look East policy since the early 1990s, we have consciously moved forward to re-establish our age-old ties with the countries of ASEAN. This has been duly reciprocated as the ASEAN countries also recognize the mutual advantage of a wide-ranging partnership with India. The first-ever India-ASEAN Car Rally is a major public manifestation of our mutually rewarding partnership with the ASEAN countries.

A lot has been happening by way of expanding and deepening of India-ASEAN partnership, but not much is known in the public domain. I am glad that the Confederation of Indian Industry (CII) has taken the initiative

to organize the Chalo ASEAN Rally throughout India to create public awareness about the India-ASEAN partnership and as a curtain raiser for the first-ever India-ASEAN Car Rally 2004. As Mr. Munjal has outlined in his opening address, the Chalo ASEAN Rallies, starting from Shimla, Gandhi Nagar, Panjim and Kanyakumari, will be reaching Guwahati on November 20, and in the process propagate the message of India-ASEAN partnership. Our Prime Minister will be attending a public function on November 22 in Guwahati to give the ceremonial flag-off to the first-ever India-ASEAN Car Rally.

It is indeed heartening to note that this unique initiative of the Government of India has struck a positive note in all the ASEAN capitals and with the peoples in India and ASEAN countries. It is going to promote trade, tourism and people-to-people contacts in a major way besides focusing on the need for developing world-class road connectivity between India and ASEAN.

We will be working closely with the private sector, the sports organizations and the civil society to promote similar other public events which would compliment government-to-government efforts in building India's partnerships with the rest of the world.

I wish to thank all the Chalo ASEAN Rally participants for their association with this unique event. I also appreciate the presence of so many people and media persons in the early morning, that too on a holiday, in support of Chalo ASEAN. Shri Bishan Singh Bedi's presence at this function is a big encouragement for the participants. I am glad his daughter is participating in the 'Chalo ASEAN' even though this is not Cricket.

I have great pleasure in wishing the Chalo ASEAN participants good luck and God speed in safely completing their mission.

Thank you.

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058. Address by External Affairs Minister K. Natwar Singh at the International Seminar "50 Years of Panchsheel: Towards a New International Order based on Genuine Multilateralism" Organised by Indian Council of World Affairs.

New Delhi, November 18, 2004.

It is a pleasure and a privilege to be asked to inaugurate this international seminar commemorating the 50th Anniversary of Panchsheel. I complement the Indian Council of World Affairs for taking the initiative to organize this event and take this opportunity to welcome the distinguished participants.

Four days ago we celebrated the 115th Birth Anniversary of Pandit Jawaharlal Nehru. It was an occasion for us to reflect on the legacy of Independent India's first Prime Minister. He gave us many gifts. Our vibrant and secular democracy, our diversified industrial base, our science and technology infrastructure, our nationhood, bears his imprint. He gave India a foreign policy which has stood the test of time. But his moral stature was such that he could also articulate an ideology for the whole world. Premier Zhou Enlai shared his vision and it is their shared vision which is encapsulated in the principles of Panchsheel.

Panchsheel, or the Five Principles of Peaceful Co-existence, were first formally enunciated in the Agreement on Trade and Intercourse between the Tibet region of China and India signed on April 29, 1954. Two months later, during the visit to India of Premier Zhou Enlai, he and Prime Minister Jawaharlal Nehru issued a Joint Statement on June 28, 1954 that elaborated their vision of Panchsheel as the framework, not only for relations between the two countries, but also for their relations with all other countries, so that a solid foundation could be laid for peace and security in the world.

Even though Panchsheel as a framework for a normative code of conduct between nations originated half a century ago, Panchsheel as a philosophy is centuries old. Its origin can be found in the code of personal conduct enshrined in the philosophy of Buddhism. But the very essence of the Buddhist teachings was drawn from the ancient Indian way of life which emphasized the pursuit of virtue and called for positive cooperation in social

intercourse at various levels. That has remained the abiding ethos of India down the centuries.

Thus, at one level, the enunciation of the Panchsheel principles mirrors the beliefs and values of ancient civilizations as those of India and China. At the core of Panchsheel is the emphasis on "peaceful co-existence" and cooperation for mutual benefit. At a more practical level, Panchsheel principles are a guide for management of harmonious inter-state relations. Seen in this light, Panchsheel reflects eternal values.

In the fifties, we were engaged in nation building and in the consolidation of our statehood. State sovereignty was of paramount importance. Is it a surprise then, that the first principle is - "mutual respect for each others territorial integrity and sovereignty?" As Nehru said: "It is in no spirit of pride or arrogance that we pursue our own independent policy. We would not do otherwise unless we are false to everything India has stood for in the past and stands for today. We welcome association and friendship with all and the flow of thought and ideas of all kind, but we reserve the right to choose our own path. That is the essence of Panchsheel."

Given the experience of wars, of death and destruction "mutual non-aggression" is articulated as the second principle. The essence of the newly won freedom entailed the will and the ability to shape the country's future for these Asian states, liberated after decades and sometimes centuries of domination and alien rule. The promise of "mutual non-interference in each others internal affairs" is therefore an expression of a desire to carve out a future, free of external influence. To quote Nehru again: "That each country should carve out its own destiny without interfering with others is an important conception, though there is nothing new about it. No great truths may be new. But it is true that an idea like non-interference requires emphasis because there has been in the past a tendency for great countries to interfere with others, to bring pressure to bear upon them, and to want these others to line up with them."

The other two principles of Panchsheel i.e. equal and mutual benefit and peaceful coexistence embody the values of our traditional legacies-Hindu, Buddhist and Confucian. The ancient Sanskrit invocations to 'vishwa shanti' or "sarve janaha sukhino bhavantu" state these sentiments.

Looking at the world order in the 21st century, how does one view

Panchsheel? We live in a world, different from the world of fifty years ago in many respects, and yet bedevilled still by interference, intolerance, aggression and conflict. Panchsheel can provide the ideological foundation for this developing paradigm of international interaction, allowing all nations to work towards peace and prosperity in cooperation, while maintaining their national identity, spirit and character. There were fifty-one states when the UN charter was signed in San Francisco in 1945. Today the UN has 191 members. The erstwhile bi-polar rivalry has ended. But we have states with diverse political systems, and at different stages of economic development. Globalisation has made it a world of inescapable inter-linkages and yet State sovereignty and territorial integrity continue to be fundamental principles. The contours and content of sovereignty have changed and will keep changing. We have to accept this reality. We also have the debate concerning unipolarity vis-à-vis multipolarity. Seen in terms of military might alone, the world has a predominant power; however, even this mighty power has its limitations. As experience has shown a war can be waged unilaterally, but to build peace we need collective efforts. Further, it is natural and inevitable that there are diverse centres of political power, economic weight and cultural influence. In many ways, the world has changed, there are new threats and challenges and yet the yearning for peace and harmonious co-existence continues. The essence of Panchsheel therefore is of timeless relevance.

We can reflect on the evolution and interpretation of the Panchsheel principles for the world of today. When we look around and see the examples of the war in Iraq and the continuing conflict in West Asia, the value of non-aggression becomes evident. Samuel Huntington spoke a few years ago of “the clash of civilisations”. I am sure everyone present here today will agree with my conviction that it is our duty to prove him a false prophet. We need mutual respect, understanding and sympathy for each others values, beliefs and systems. This would be the interpretation in the modern world of the principle of “mutual respect and non-interference”.

To advance the noble principles underlying Panchsheel, we need an international order based on genuine multilateralism. At the core of multilateralism, is respect for the views of all States and the belief in resolution of differences and conflicts through a process of dialogue and conciliation. If unilateralism denotes adhocness, domination and insensitivity for the views of others, multilateralism connotes order, sovereign equality

and acceptance of diversity. Strengthening multilateralism as a process and the UN as its central embodiment is therefore a natural outcome of our belief in Panchsheel, in today's world. The global fight against the scourge of international terrorism is a practical, modern day rationale for a new international order based on equality, justice and tolerance. There is universal recognition that this fight can only be successful if there are no double standards and if there is complete multilateral and, indeed, global cooperation. We have also understood that there is no alternative to acceptance of "peaceful co-existence" in a world facing the threat of annihilation if Weapons of Mass Destruction are used either by irresponsible states or intolerant non-state actors.

We recognise the imperative of working with each other for mutual benefit. Be it trade or finance or technology, in a globalised world 'equality and mutual benefit' find reflection in the imperative need to ensure that the benefits of globalisation are enjoyed not by few, but by all and that globalisation leads to all around peace and prosperity. Globalisation should not become a pretext for the 'strong overpowering the weak'. Instead, it should pave the way for "a federation of friendly inter-dependent nations", where no one dominates or exploits the other, as Prime Minister Nehru envisaged. The relevance of Panchsheel lies in the dignity and strength that it lends to the voice of smaller nations safeguarding their core concerns and placing at their command peaceful means to minimise the marginalisation of their economies in the emerging world order. Panchsheel can thus become a powerful force for the promotion of both democracy and development.

India continues to play an active role in this process. We are not only a founder members of the UN, but are a major contributor in ideas, activities and personnel including peacekeepers. In redefining the world order, we believe that India has to play an even larger role in the decision making structures of the UN and bring to the table, the perspectives of developing countries. We will continue to strive for a better and more equitable world order based on these principles.

Let us see now the practical expression of Panchsheel in India's own relationships with other countries. As the co-author of Panchsheel with China, India has taken initiatives for a stable, mutually cooperative and beneficial relationship with China. If the 21st century is going to be the

century of Asia, then India and China have a special role to play in promoting the concepts espoused by Panchsheel. It is true to the spirit and character of Panchsheel that both countries, over the last decade and more, have embarked upon the path of developing a long-term constructive and cooperative partnership. India wants a strong and enduring friendship with China, on the basis of Panchsheel - mutual respect and sensitivity to each other's concerns and aspirations, and equality. As two ancient civilizations, which in contemporary times are also the two largest developing countries, India and China share a great responsibility to strengthen and provide further impetus to Panchsheel through the examples set by their own cooperation as well as their conduct of international relations.

The mainspring of Panchsheel is multilateralism and mutual beneficence. If trust, friendship and peace are the denominators of a quotable relationship in international affairs, then the last five decades bear witness that India-Russia relations qualify very well for it. No wonder, it was out of this conviction that India and Russia declared in November 2003, at their Annual Summit in Moscow, that "greater interaction and mutual respect among diverse societies and cultures will lead both to enrichment of these cultures as well as to enhanced harmony and security in the world. In this era of globalisation, it is by preserving pluralism that true multipolarity – in its political and economic as also social and cultural dimensions – will be attained".

Our relations with our near neighbours in Central Asia are a living proof of this faith in diversity internally and goodwill abroad. These shared values and the trust in our cooperation reinforce our faith in multilateralism.

The situation in West Asia confirms that the principles of Panchsheel are as valid today as they were 50 years ago. The status-quo in the Middle East is clearly in defiance of the will of the international community, expressed unambiguously in resolutions of the United Nations General Assembly and Security Council. It is only an application of the principles of Panchsheel which can move those who stand in the path of peace and stability from their present stance of obduracy to the path of a peaceful negotiated resolution. We are happy that efforts in this direction are being made by the NAM Committee on Palestine, of which we are a member.

Non-alignment itself is an embodiment of the principles of Panchsheel. One of the best definitions of non-alignment that I have come across is by

Dr. Richard Von Weizsacker, the immensely respected former President of Germany. He said: "Nehru was among the first and foremost to look for a non-bloc internationalism. His idea of non-alignment was aiming at more than distance from blocs. It was a denial of the gist of bloc thinking, an endeavour to detect inside those blocs growing trends of openness, of looking for common interests, of conditions of how to survive together. Nehru's non-alignment policy is not a means to prevent cooperation. It is, on the contrary, an invitation never to give up the search for new ways leading to peaceful coexistence, détente, and reconciliation."

We have, in recent times, also seen an application of selective criteria relating to human rights by the UN Security Council in relation to countries of West Asia and North Africa. This, of course, is contrary to the principles of the Charter which enshrines the rights of all nations to choose their own path while interacting with others on the sound basis of mutual respect and equality.

And what can be a better framework for furthering relations with Pakistan than the five principles of Panchsheel? Prime Minister Jawaharlal Nehru categorically said so in a statement he made in the Indian Parliament in 1956 and I quote "In all goodwill and earnestness, I offer Panchsheel to the Prime Minister of Pakistan and I have every faith that if we base our dealings with one another on these five principles, the nightmare of fear and suspicion will fade away". Over the last year or so, both India and Pakistan have embarked on a process of confidence building, enhancing interaction and cooperation so as to create an atmosphere conducive to giving an even firmer basis to the relationship. Needless to say, an end to the atmosphere of violence and terrorism would have to be an essential part of this process.

The 19th century was sold on the idea that progress is inherent in history. The 20th century, with its two world wars and its awful toll of death and destruction, showed that this was not necessarily true. If the 21st century is to be morally and materially different from the 20th, then we need a new paradigm of international relations. On this occasion, a celebration of the 50th anniversary of Panchsheel, I would request all the distinguished participants to reflect on how we can offer that new paradigm through the principles of Panchsheel. Panchsheel may not be a panacea for all the ills afflicting mankind, but it certainly provides a road map that promises to

usher in an era of friendly and mutually rewarding inter-state relations. In 1954, the world was too intent on pursuing the path of confrontation to consider the alternative path that Panchsheel represented. Now, fifty years later, in a world still searching for moral certainties, Panchsheel represents a moral compass. Thus, to borrow an analogy from the marketplace, our product is time tested and very good, but how do we repackage it for the consumer of today - that is the question this Conference needs to deliberate on.

I wish the Seminar all success.

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059. Address by External Affairs Minister K. Natwar Singh at the Seminar organized by the Observer Research Foundation on "Europe and Asia : Perspectives on the Emerging International Order".

New Delhi, November 19, 2004.

Shri R.K. Mishra, Chairman of the Observer Research Foundation
General V.P. Malik, President ORF.
Distinguished guests, ladies and gentlemen.

It gives me great pleasure to be here today. The 'Observer Research Foundation' has emerged as one of our premier think tanks. You undertake rigorous research oriented projects to provide inputs into policy making both at the domestic and international levels. I am also glad that ORF has chosen such an important topic - "Europe and Asia: Perspectives on the Emerging International Order".

Why Europe, and indeed, why Asia? After all, there are seven continents on the earth. The reason, I suppose, is obvious. Dr. Henry Kissinger predicted a few years ago that the future world will have six poles—America, Japan, China, Russia, the European Union, and India. If we take away America, which, in any case, is the pre-eminent power in the world, all the other countries belong to either Europe or Asia. Thus, the future history of the world will be largely determined by the interplay of relations

between Europe and Asia. Pt. Jawaharlal Nehru was prescient enough to have seen this as early as in 1951. He said and I quote, "Asia has a very long history behind it and for long ages it has played an outstanding part in the world. Its emergence from colonial status is making a great difference to the balance of forces in the world. The old equilibrium has been upset and can never be restored…….. Therefore... it is of the utmost importance that Europe and Asia should understand each other.

Let's first talk of Asia which Jawaharlal Nehru described as "the mother of continents and the cradle of history's major civilizations". Today, Asia is the continent where two-thirds of the world's population resides. The debate on whether the 21st century belongs to Asia or not is an on-going one, but there is no denying the fact that Asia is poised to play a significant role in international relations. Asia is now the center of economic growth and commercial dynamism. It has the world's most youthful populations. Asia is the fastest growing continent, with China and India set to emerge as the world's second and third largest economies over the next few decades. Yet the region is also prone to instability from national strategic rivalries, economic and political transitions and rapid social transformations. Hence, the emergence of Asia is in reality the sum of the success of each of its parts. The economic dynamism of Asia will be sustained by growing connectivity and infrastructure development. It will also be reinforced by the evident emphasis on integrating markets through free trade arrangements and restructuring and reforms in individual economies.

Asia is also the principal source of world's energy supply. There are ever new and impressive discoveries of oil and gas not only in the Persian Gulf region but also in India, Bangladesh, Myanmar, Indonesia and Vietnam. China sits on foreign exchange reserves of nearly three 300 billion dollars. India on the other hand is emerging as the major hub of international technology products and services. Our foreign exchange reserves have crossed the 120 billion mark and exports have recorded a steady growth of 10% in recent years. Some of the smaller countries like Vietnam and Thailand are also growing very fast, at the rate of more than 6%.

Nehru's vision of resurgent Asia and India's critical engagement in reshaping its destiny was based on three basic assumptions. First, that India was geo-strategically central to Asia, for being "so situated as to be the meeting point of western and northern, and eastern and southeastern

Asia." Secondly, its historical and cultural roots were deeply embedded into the larger evolution of Asia over the centuries. Nehru was acutely conscious of these roots when he said : "If you should know India, you have to go to Afghanistan and Western Asia, to Central Asia, to China and Japan and to the countries of South Asia."

The third assumption underlying Nehru's approach to Asia was that the decolonized and newly independent countries of Asia would like to keep off from great power rivalries and conflicts and also free themselves for ever, from political and economic bondage. In this freedom, Nehru saw a constructive and decisive possibility of Asia lending its legitimate weight in world politics in favour of peace and stability. But for this, Asian solidarity was a precondition and India was willing to work for it. In so doing, Nehru also underlined the role of regionalism and institutionalization of cooperation and mutual understanding.

Now let me now turn to Europe. Today, the European Union has become virtually synonymous with Europe. The recent developments in the EU are of great importance to the world community. The bold and dynamic steps taken by the EU such as the Enlargement, the EU Constitution and the Euro have enabled the EU to carve out for itself a distinct personality. With the accession of ten new Member States, in terms of population, the EU has become bigger than NAFTA, with a combined population of over 450 million. By the time the EU enlargement process reaches conclusion, the EU's borders will extend from Belarus to the Black Sea to Iraq, increasing the EU's population by 50%. But the process is not going to be easy. Europe is deeply divided, for instance, on the issue of Turkey's accession to the EU. If Turkey is admitted, it will mean the entry of the first Muslim country into the EU. If it is not, the EU will be perceived as an exclusively Christian Club. The enlargement of the European Union will, therefore, not only have a profound effect on the world, but on Europe itself.

There can thus be no doubt that both Asia and Europe have to work together. The question before us is how will the partnership between Asia and Europe unfold? As the elections in India and the more recent ones in the US have shown, crystal gazing is a rather hazardous occupation. Nevertheless, I feel that there are sufficient pointers for us to outline the dynamics which will shape the partnership between Asia and Europe in the first quarter of the 21st century.

On the political side, I think both Asia and Europe have a shared interest in strengthening multilateralism. The developments in Iraq have reiterated the need for effective multilateralism. The EU will continue to seek outside support for strengthening multilateralism and countries like India and China and the regional blocks such as ASEAN are increasingly seen as promoters of this idea. The ongoing debate on the relevance of the UN in the 21st Century assumes significance in this context. Both Europe and Asia share the view of the need for UN reform and restructuring of the UNSC. Although the EU does not have a common position on UNSC reform, it has taken note of India's credentials to be a UNSC member. Most EU member states are supportive of an expanded and restructured UNSC consisting of India, Japan, Germany and Brazil. The EU's desire for greater engagement with Asia is also driven by their concerns over growing regional uncertainties. The situation in Afghan, developments in Iraq, the Middle East Peace Process and the continuing international debate on the Iranian and North Korean nuclear ambitions make it inevitable for EU to stay engaged with Asia and maintain a dialogue process with its strategic partners such as India, China and Japan and also with regional groups. We are already seeing concrete results of this engagement in the form of the agreement which the EU-3 (France, Britain and Germany) were able to broker with Iran last week on its nuclear programme. A variation on this engagement is the dialogue of three civilizations- India-Russia-China. They represent nearly three billion of today's humanity and the best of Europe and Asia. I participated in the Fourth Meeting of the Trilateral Forum in Almaty last month. We had a meeting of minds on virtually all issues. We agreed to intensify the fight against terrorism and drug-trafficking and emphasised the need for multilateralism and greater UN role in world affairs.

The EU is also seriously concerned about the growing menace of terrorism. With the increasing realization of its repercussions to Europe, the EU is serious about involving Asian states in the fight against terrorism. The EU recognizes now that all terrorism is interlinked and open and democratic societies are particularly vulnerable since terrorists abuse the very freedom and liberty offered by these societies. The need for cooperation with regard to WMDs, narcotics, hawala transactions and cyber crime, besides terrorism, will all lead to a strengthened dialogue between Asia and Europe.

Asia, with its diverse religions, ethnicities and cultures has provided

a model of syncretic evolution of civilization. India, with the second largest Muslim community in the world, is a paradigm of Asia's syncretic culture, and of how Islam can flourish in a plural, democratic and open society. The problems of religious extremism and fundamentalism also beset Europe with its expanding and increasingly diversifying population. This is an area where Europe and India could dialogue in order to benefit from their respective experiences.

The most persuasive argument for engagement between Europe and Asia is the economic one. Globalization is a fact of life. In the evolving interdependent linkages, the Asian nations are placed at a vantage point, which will make it inevitable for the EU to stay engaged. A large population of over 3 billion with significant consumer power will make them attractive market destinations for EU products. In the areas of manufacturing and investment, the demographics will significantly change the way EU does its business with the outside world. Here again regions with significant and large young populations with adequate skills will make them attractive locations for manufacturing, i.e., if we are to believe that the market forces will determine the future. A graying Europe will seek to shift its manufacture base to Asian countries, taking advantage of their large skilled, reasonably salaried manpower not only for local consumptions but also for exports to third countries, including to the European markets, themselves. This would entail greater cooperation between Asia and Europe in the WTO.

Science and Technology provides yet another meeting ground for Europe and Asia. Both in fundamental and applied research there will be greater synergies between EU and Asian enterprises. India has already leap-frogged to the front ranks of nations engaged in cutting edge technologies. Our skills in IT and Bio-technology are world renowned. China, Japan, South Korea and South East Asian countries will all become hubs for germinating new ideas and conceptualizing them. All these are also interlinked to management of migration flows. Movement of natural persons in a seamless environment would become a logical fallout and therefore the challenge ahead for both EU and Asia is how to manage migration flows.

Environment, sustainable development and energy are interlinked. While Asia will continue to depend on greater energy sources, including alternative sources such as renewable energy, it will also continue to depend

a great deal on the technology of Europe for harnessing them. This dependence will inevitably forge a synergic relationship in energy. The EU's concern over environment is another factor which will bring it closer for a dialogue with Asia because, through sustainable development, it seeks to minimize the negative fallouts on climate change.

It therefore appears safe to say that as the 21st Century enters its first decade, both Asia and Europe will come together as natural partners. The foundation for this partnership has already been laid through the varied dialogue processes: ARF, the EUs Summit level interactions with India, China and Japan, APEC, ASEM, and the EU's intensified interaction with regional groupings including with SAARC and OIC.

Now for a word on India's own ties with the European Union. These relations are broad-based and intensive. As Prime Minister Manmohan Singh said in the Hague on November 8: "India and EU are natural partners. Our relations are based on shared values of democracy, pluralism, rule of law, a free press and an independent judiciary. Our partnership has evolved over the years from economic and development cooperation to a broad based engagement on a wide range of issues." Closer political consultations and a dynamic business relationship, underpinned by a shared commitment to democracy, are the main pillars of our engagement with the EU. The Summit at The Hague endorsed the decision to launch a strategic partnership between India and the EU. This is significant, given that the EU has strategic partnerships with only five other countries in the world – USA, Russia, China, Japan and Canada. We now intend to take this partnership to even higher levels, especially in hi-technology such as the energy sector and in space where India is presently in an advanced stage of negotiations regarding its participation in the Galileo Satellite Navigation Project.

In the end I would like to convey my best wishes to the eminent scholars and participants gathered in the Conference. I am confident that the proceedings will not only enrich our knowledge of the dynamics of international relations between Asia and Europe, but also provide us guidelines to making that relationship stable and mutually beneficial so that it contributes to a more peaceful, cohesive and prosperous world.

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060. Remarks by Prime Minister Dr. Manmohan Singh at the flagging-off the 1st India-ASEAN Car Rally.

Guwahati (Assam), November 22, 2004.

"It gives me great pleasure to be present at the commencement of the First India-ASEAN Car Rally today. In flagging off this event, we are doing more than setting in motion a rally car that will go through nine countries traversing over 8,000 kilometres through some of the most picturesque regions of the world. The importance of this Rally is much more than that.

Historically, we belong to an integrated region with many complementarities. Our cultural and civilisational ties run deep in time. These have been further strengthened by economic and trade links. Until colonialism intervened, this region was an integrated whole. With the passage of time, we are rediscovering the essential oneness and unity that bond our countries together.

Our countries are endowed with tremendous human talent and natural resources. The challenge before us is to put in place, cooperative regional activities that will promote development and collective security for all our people.

Geographical contiguity is not merely the absence of physical distance. It enables a participative exercise for building a community of prosperity based on goodwill and enterprise. In an era of globalisation, inter-connectivity, whether within a region or between regions, has to be comprehensive, covering all dimensions – human, infrastructural, economic, technological and cultural. By building such bridges of understanding and interaction will we increase and widen the circles of prosperity and growth.

Our North-Eastern States are India's gateway to ASEAN. This is true not just in terms of physical connectivity but also in terms of economic outreach and cultural affinities. The National Common Minimum Programme highlights the determination of our Government to give special assistance to upgrade and expand infrastructure in the North East. The North East Council will be strengthened and given adequate professional support. Being an MP from this region, I feel special affinity and responsibility to ensure the effective implementation of these commitments.

The development of the North-East and its integration with the larger regional processes is one of the prime determining factors of India's engagement with regional cooperation as under ASEAN or sub-regional cooperation as under BIMSTEC. My first official visit abroad as Prime Minister was to attend the BIMSTEC Summit in Bangkok. India's 'Look East' policy was initiated by the Congress Government in the early 1990s. We have made considerable progress with ASEAN since India was admitted as its Sectoral Dialogue Partner in 1992 and full Dialogue Partner in 1995. We have since held two Summit level meetings with ASEAN.

I look forward to representing India at the third India-ASEAN Summit next week, which will be held in Vientiane. I understand that this phase of the Car Rally will conclude in Vientiane, to coincide with the India-ASEAN Summit. I will have the pleasure of witnessing the flag-off of its last phase – upto Indonesia.

Our growing interaction with ASEAN is critical to fulfilling the promise of the 21st century being an Asian Century, with the main engines of the world economy emerging in the Asia-Pacific Region. We want our North Eastern States to be in the forefront of these interactions and to reap the benefits of enhanced peace and prosperity.

I am confident that this Car Rally will capture the imagination of our people, in demonstrating the essential oneness of our integrated region. I see this Car Rally as a journey into the future, demonstrating the possibilities that can come about in trade, tourism, and people-to-people contact by bringing our countries together.

I wish to express my appreciation for all those who have contributed to this Car Rally. We are pleased that the Secretary General of ASEAN is present here along with members of the diplomatic corps representing the ASEAN countries, the State Governments of Assam, Nagaland and Manipur, through which this Car Rally would pass, the Confederation of Indian Industry and the Federation of Motor Sports Club of India. I am confident that the success of this Rally will prompt a sense of adventure among our car enthusiasts and generate interest to make this a regular event.

I wish the participants of the First India-ASEAN Car Rally all success."

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061. Press conference by External Affairs Minister K. Natwar Singh on the occasion of the United Progressive Alliance Government completing six months in office.

New Delhi, November 25, 2004.

I would like to extend a warm welcome to distinguished members of the press. The UPA Government has completed six months in office. This is a good occasion to review what we have managed to achieve in the first six months of our being in office and what we see as the tasks which lie ahead of us in the future. As External Affairs Minister I will, of course, be focusing on the UPA Government's foreign policy.

In the brief six months of our Government, India's foreign policy has graduated from an event oriented to a process oriented approach. Instead of being satisfied with mere announcements of fresh initiatives, we now have a policy which is based on a careful consideration of the contemporary challenges which India faces as well as the capabilities which we can bring to bear in dealing with these challenges successfully. Recognizing that the lines dividing the domestic from the external, the political from the economic, are becoming increasingly blurred, we have put in place a multi-dimensional and consultative process of thinking and of acting, which has given our foreign policy a clearer focus, a sense of maturity and a pro-active method of action. Today there is a general recognition that India's destiny is being guided by steady hands, backed by both experience and wisdom and instilled with a confidence in our ability to deliver. India's emergence as a compulsory destination in the itineraries of leaders from every part of the globe reflects the high standing and credibility that the UPA Government and its leadership enjoy, just six months after they have taken office.

It will be recalled that soon after taking office, our Government faced its first crisis in the kidnapping for ransom of three of our citizens in Iraq. After a month long patient and delicate effort we were able to ensure safe return of our hostages without sacrificing any of our principles. The successful and mature handling of this crisis set the stage for a reorientation of our foreign policy in the service of the nation in a rapidly transforming and ever more challenging global environment.

The UPA Government has re-focussed India's foreign policy giving high priority to relations with all our neighbours. It was not a coincidence

that I chose Nepal for my first visit after taking over as India's External Affairs Minister. You would have also noticed the number of high-level visits we have hosted from our neighbours, including both the President and the Prime Minister of Sri Lanka, the Prime Minister of Nepal and the Foreign Minister of Bangladesh. We have just received the Prime Minister of Pakistan and His Majesty the King of Bhutan is currently in Delhi on a visit. His Majesty the King of Nepal and the President of Maldives are also scheduled to visit India shortly. A major landmark has been the visit of the Head of State of Myanmar to Delhi last month, the first such visit in 26 years. This has resulted in important cross border projects being taken up and coordinated action to deal with insurgency in our border areas.

Our engagement with our neighbours has not been limited only to the Government-to-Government level but has consciously encompassed different sections of society and across the political spectrum.

We believe it is important that there should be frequent and regular contacts and wide ranging discussions with our neighbours at all levels to take forward and to maximize opportunities for mutually beneficial cooperation. At the same time, this Government has not hesitated to address issues where there may be differences, but has done so in a spirit of friendship and in a constructive search for practical and mutually acceptable solutions. This will be our approach to the forthcoming SAARC Summit, which is being held in Dhaka in January next year. We remain committed to a collective future of peace and prosperity for the entire South Asian region.

With Pakistan, we have put behind us a reactive policy, which frequently oscillated between euphoria and despair. We are engaged in a sustained and comprehensive dialogue process from which we will not be deflected by transient developments and often contradictory pronouncements. Our confidence in taking this process forward is reflected in the number of wide ranging Confidence Building Measures that we have put on the table, including several on a unilateral basis. Our Prime Minister has clearly enunciated the parameters within which we seek peace with Pakistan.

In six months we have managed to intensify our relations with China. This is reflected in the two rounds of talks already held between the Special Representatives of the two countries on the boundary question. The importance of this relationship is also reflected in the visits recently of two

senior Chinese State Councillors and my own meetings with the Chinese Foreign Minister four times in three months in Qingtao, Jakarta, New York and Almaty. During his visit to India, State Councillor Tang Jia Xuan recognized the active role that India could play in international affairs and in the UN Security Council.

For India, relations with the U.S. have a special flavour because we are both vibrant democracies. Our relations are being expanded across the board. Prime Minister Dr. Manmohan Singh met President Bush in New York in September 2004, which resulted in a strong re-affirmation of the strategic partnership between our two countries. Our perspectives on specific issues may be different and that may lead to differences in policies. However, we share a great and enduring affinity as peoples wedded to democratic values and today there is such a broad range of interaction between the two countries across the board, that U.S. election results do not fill us with any uncertainty or doubt. India-US relations are beginning to acquire a degree of stability and predictability and a willingness to work together on shared concerns.

With Russia, we have a strategic and time-tested relationship which has stood the challenge of a changing global and regional environment. The forthcoming visit of President Putin to India will be an occasion for us to take forward these relations to a much higher level of interaction. The Foreign Minister of Russia visited India in October, and we have just concluded a fruitful meeting of the India-Russia Joint Commission to take forward our ties in the economic, scientific and energy sectors.

There is a growing recognition of India as an indispensable partner by the international community and this is reflected particularly in the European Union (EU), now consisting of 25 members, seeking a strategic partnership with India. This was the theme of the visit of our Prime Minister to The Hague earlier this month. The declaration on strategic partnership will now be followed by a Political Declaration and an Action Plan to be adopted at the next India-EU Summit next year. This will provide a new focus and add substance to our already wide-ranging relationship with the EU.

India's "Look East Policy" which was conceived and initiated by a Congress Government, has now been given a new dimension by the UPA Government. We are looking at our partnership with ASEAN countries, both

within BIMSTEC and the India-ASEAN Summit dialogue as integrally linked to our economic and security interests, particularly for our East and North East. Just three days ago, Prime Minister flagged off the first India-ASEAN car rally from Guwahati that has drawn enthusiastic support from within the ASEAN countries as also from our North-Eastern States. We are looking forward to the forthcoming India-ASEAN Summit scheduled to be held a few days from now in Vientiane, Laos.

The importance which West Asia and the Gulf enjoy in terms of India's interests cannot be over-emphasized, particularly when you consider that more than three million of our citizens live and work in this region. Recognizing this, we have intensified our relations with all key countries in the region, as well as with the Gulf Cooperation Council (GCC) with which we have signed a Framework Agreement for Economic Cooperation. For our citizens in the region, we have recently established 24-hour Helpline centres both in Dubai and Riyadh and will extend this to other capitals. All our Missions and Posts in the Gulf observe an "Open House" once a month to enable our nationals to meet senior officials without appointment to seek any assistance. The UPA Government has taken a decision not only to increase the number of Haj pilgrims from India but has also restored the subsidy which has been reduced by the previous government.

Our longstanding friendship with the Palestinian people and our support for their cause was reaffirmed when I led a multi-party delegation to Cairo to pay homage to the memory of Yasser Arafat, the much revered leader of the Palestinian people.

Our Government has made a clear-cut enunciation of our policy of not sending troops to Iraq which has been endorsed by Parliament. At the same time, we have maintained our engagement with the friendly people of Iraq. This has taken the shape of humanitarian and reconstruction aid and more recently support for the forthcoming election process in the country.

One of the key achievements of the UPA Government has been the 'Focus Africa Policy' and this has already drawn a favourable comment from no less a leader than President Obasanjo of Nigeria himself. In a letter he has written to our PM on November 4, 2004, he has said :

"I notice with admiration how well settled and well focused your Government has become within a short period of time."

This puts in context the rapid progress, in the last few months, in India-Africa relations, in terms of more and greater exchanges of high levels visits, greater economic and technical cooperation, both bilateral as well as within the context of the African Union, and India's contributions to peace-keeping in several African countries. Illustrative of this is the announcement by our President, while visiting South Africa in September 2004, of an ambitious project for linking all 53 African countries through a satellite as well as a fibre optic based network. This would be the backbone of services such as tele-medicine, distance education and IT-enabled services.

Central Asia is not only a strategic region, but also our extended neighbourhood with which we enjoy longstanding, historical and cultural relations. We see Central Asia as an important economic partner, particularly in terms of our energy requirements. We are moving quickly to intensify our relations with countries in the region through high level visits and improved communications and increased economic and commercial relations. I myself visited Kazakhstan in October and we also hosted the Foreign Minister of Uzbekistan last month.

Let me now turn to the United Nations. The efforts of the UPA Government have now brought India to the threshold of a permanent membership of the United Nations Security Council within the context of overall reform of the UN. It was, thanks to intensive diplomacy on our part, that we were able to create a common platform of the four most credible aspirants for permanent membership of the Security Council, India, Brazil, Germany and Japan mutually supportive of each other and agreeing to work together to realize their shared objective. India's ability to mobilize a majority of the members of the United Nations in its support was demonstrated recently by our receiving 174 votes in the elections to the ECOSOC, the highest achieved by any member in the elected category. India's claims today to be a permanent member of the Security Council has been well established within the international community.

As I have stated before, foreign policy today cannot be divorced from domestic developments. In order, therefore, to ensure a more consultative approach in our foreign policy, I have initiated mechanisms for coordination with other Ministries and agencies as well as with State Governments, particularly those which border our neighbours. For example, we are closely coordinating our diplomacy with the Ministry of Petroleum and Natural Gas

in respect of securing energy supplies for India in different parts of the world. We are also engaged in a major programme for the upgradation of cross border infrastructure for our neighbours, working together with the Ministries of Home and Surface Transport as also with State Governments. Recognizing that there is much wisdom which also lies beyond the corridors of South Block, I have set up a Foreign Policy Advisory Group to get inputs on important contemporary issues from experts and academics outside the Government. We have also been hard at work to make the Ministry of External Affairs a much more effective instrument for implementing our foreign policy. Today there is much better morale in the Indian Foreign Service and a much more collegiate style of work with the result that the quality of our diplomacy has improved considerably. This effort, of course, will continue.

You will agree that within a short span of six months, the UPA Government has given us a foreign policy which is purposeful, result oriented and pro-active. While it has been the endeavour of this Government to follow the basic principles of our foreign policy which have guided India since its independence, we have reoriented and readjusted it wherever necessary in response to the new challenges that we confront today. It is a matter of satisfaction that today India enjoys a unique profile in the international arena as a factor for stability, a model for plural and secular democracy and an economic powerhouse that is destined to play a greater role in international affairs. We acknowledge that many difficult challenges lie ahead and our resources are limited. However, there is now a sense of assurance and confidence with which we continue on our journey towards a destiny that was eloquently articulated by India's first Prime Minister and Foreign Minister, Pandit Jawaharlal Nehru in 1947, a destiny in which India, **"attains her rightful place in the world and make her full and wiling contribution to the promotion of world peace and the welfare of mankind".**

Question (Ranjit Kumar): You were seen as anti-American when you cam into power. However, the engagement with US has continued. What are your expectations on Indo-US relations during the second term of President Bush?

External Affairs Minister : First of all, I have been accused of many things in my life and one of them was that I was somehow "particularly friendly" to

the Americans. I think the last six months have proved that people who were mixing hopes with facts have realized that the paramount concern of any Foreign Minister of India is to ensure that India's relations with major powers, and certainly the United States, not only proceed on satisfactory lines but that this relationship has to be enhanced in every area and this is what we have done. Prime Minister Manmohan Singh had a very fruitful and rewarding meeting with President Bush in New York. If I may say so, I think the President said that he would certainly like to visit India early in his second term.

I have also had a talk with Dr. Condoleezza Rice. She has never been to India. I have invited her to come. She said she would do so as early as she possibly can. She has first to have the Senate hearings, and then the new Administration will start in the last week of January 2005. We have accorded a very high priority to developing relations with the USA. Our Common Minimum Programme emphasizes this. I will give you a few examples. Since assumption of office, we have engaged the US in a bilateral dialogue architecture spanning a broad agenda that covers all aspects of our times. In June, a meeting of our Defence Policy Group took place followed by the Indo-US Space Conference. In July, Deputy Secretary Armitage visited India. A little later Colin Powell came here. In August, discussions took place on the next step in strategic partnership – NSSP. In September, the first phase of NSSP was finalized and signed. The Indo-US Economic Dialogue was revived under the leadership of the Deputy Chairman of the Planning Commission. The culmination of these efforts was in our Prime Minister's meeting with President Bush, as I just now said. The Statement of Partnership sent a strong message of cooperation and trust, and committed both countries to working towards enhancing global security and prosperity.

The third meeting of the High Technology Cooperation Group has taken place in Washington on 18th and 19th of this month. So, overall our relations with the United States are extremely close and it is in our interest, in the interest of the region, and for global peace, security and goodwill that the two great democracies of the world should have a steady relationship and as they go along to intensify it for their mutual benefit, and, if I may say so, for the benefit of broadening the areas of peace, goodwill and friendship.

Question (Aaj Tak) **:** *Mr. Minister, it was feared that it would be difficult for*

the new government to maintain the same momentum in Indo – Pakistan relations as established by the NDA government. What do you feel to be the success rate in this connection?

External Affairs Minister : *We have tried in every sphere to ensure that the basic policy, the foreign policy of India should be such that it benefited India's vital national interests and our friendship with other countries grows. As for as Pakistan is concerned- I do not wish to criticize any body- from1999 till January 6, 2004 whatever India's policy was, it went through many ups and downs. After Lahore, it was Kargil, followed by "Operation Parkarma", it was down-hill, followed by threat of "decisive war". We were all the time insisting that door for diplomacy should not be closed. This problem can only be solved by talks. On January 6 President Musharraf declared that we want composite dialogue in which there will be special attention on 8 or nine issue. When our government assumed office, in May I took oath of office of external affairs—it has been our endeavour to push forward this dialogue in every respect. I do not know how the people got into this impression that we shall not be able to push forward this process?*

*You are aware that on 2nd July 1972 Mrs. Indira Gandhi and Mr. Bhutto signed the Simala Agreement…it was peace and tranquility for 27 years. Four months after Lahore, Kargil happened. I do not wish to say much about all this. But certainly I want to submit that when the Pakistani Prime Minister came we had a frank discussion; on 24th September Prime Minister Manmohan Singh had a meeting with President Musharraf in New York; it was a useful meeting; the atmosphere for that meeting was good—you will recall that last year Mr. Atal behari Vajpayee had raised objection to the speech of Musharraf in the United Nations that whatever he said was not fair; should have been avoided; it led to lots of bickering in the General Assembly; it did not happen this year because there was nothing in his speech which needed a rebuttal from us. When Dr. Manmohan Singh spoke he said we want friendship with Pakistan. In the atmosphere so created Dr. Manmohan Singh made it clear that "*he did not have a mandate from the people of India for redrawing the map of the country for a second partition of India". *Beyond that what ever you want to talk - we can certainly talk on J & K, on trade, on visa, on the nuclear issue, on bus service, on starting rail services, on opening of consulates – we shall talk on all issues and the talks are going on. For the past few days – perhaps after Dr. Manmohan Singh's speech in Sri Nagar - there was some apprehension from Pakistan's*

side that things were not moving smoothly. If you see carefully what the PM said in New York and what he said in Sri Nagar there is no change in the two positions. This is what PM told Shaukat Aziz the previous day; I am not saying anything new; If you have any misunderstanding about it I shall like to remove it; this led to frank discussion. There was some apprehension that it might not move forward. I want to reiterate to you that it is moving forward; On the bus service there was too frank discussion; Their Prime Minister said not only Muzaffarabad but if possible other routes should also be considered. For the rail service, Shri Lalu Prasad met their Railway Minister the previous day. He said that Pakistan if fully prepared for Khokrapar and Munnabao routes. Ours is broad gauge; Our stations and quarters are also repaired; rail line is under repair; they expect the rail service between Sindh and Rajasthan to start from 2nd October 2005. Pakistan has to do some work because they have meter- gauge, which will need to conversion; but all these issues were well discussed.

I want to make another submission. Six months ago when I addressed my press conference I had suggested Sino – Indian mode for our talks. While we are discussing boundary issues with China; our trade by December 31st will hit 12 billion dollar mark. So why not similar approach in India – Pakistan issues? While talking on Jammu and Kashmir, we talk on other issues as well. Initially there was some hesitation, but I am happy to tell you that from President Musharraf to every body else said that we are not unifocal. Only the previous day they told out Commerce Minister that they were ready for friendly discussion on all issues. This is a good change and we welcome it. Our two-way trade now is only 400 million dolla; there is a great potential for this trade.

Question (Abhisar): *Pakistan looks at Kashmir from two angles – either indépendance or joins Pakistan. India regards it more as a humanitarian problem. Do you think that the common ground we talk of is possible ? Or for the sake of relations we are witnessing a sort of engagement between the two countries ? Was it really possible to talk of some common ground when there were fundamental differences ?*

External Affairs Minister : *Listen,* we take this as a process. My impression is, from the other side the outcome is more important. You can only get to the outcome when this process leads you somewhere. Saying, 'No, the outcome must be known before, is, to my mind, putting the cart before the

horse'. This we have respectfully placed before them. You know this is a long drawn out process. In some areas we will make very rapid progress. *Other issues might take time; but efforts are on; the other day President Musharraf at an iftar party made some suggestions about Kashmir. We have not received any formal proposal. Mr. Shaukat Aziz too did not bring one. Perhaps he put forward the idea for discussion and debate. But we have no objection to talk on any aspect of the problem. If the trade grows, people-to-people contacts grow, the business, the industry and the formers develop a stake, the environment improves by itself. economics may lead to a satisfactory political outcome. We have hope for that, and efforts will continue to be made.*

Question (Associated Press of Pakistan): As mentioned Prime Minister of Pakistan, Shaukat Aziz, was here as SAARC Chairman. Did the meetings also reflect forward movement on the Kashmir dispute? Secondly, what are the dates for the Foreign Secretary level meetings?

External Affairs Minister : *Yes Sir, the foreign secretary is going on 22-23 December; but before that joint Secretaries will meet, experts will meet on bus service, rail service, consular matters etc. In January Indian and Pakistani leaders will meet in Dhaka. I myself going to Islamabad in February. The chain is on.*

Question : As you said Pakistan Prime Minister's visit facilitated forward movement in Composite Dialogue. Did it also lead to a forward movement in the resolution of the Kashmir issue?

External Affairs Minister : I think there was some apprehension in Pakistan that possibly the process had slowed down or it was in the reverse gear. We assured the distinguished Prime Minister of Pakistan that as far as we were concerned there was no resorting to reverse gear. On the contrary, we want to go ahead with it. And if there were any misunderstandings the Prime Minister of India cleared them.

Question (AFP): Pakistan has always…territorial…(inaudible). Is it a constructive approach? Seen in this light what is your assessment of Prime Minister Shaukat Aziz's visit to India?

External Affairs Minister : We have made it clear that, as Prime Minister said; as far as regional autonomy is concerned sky is the limit. Now, within

the parameters of the policy that we have which is clearly stated in a Resolution in Parliament that the whole of Jammu and Kashmir is an integral part of India, keeping that in mind and knowing Pakistan's position on this, it requires a great deal of patience, hard work, goodwill and trust. The Prime Minister of Pakistan referred to a 'trust deficit'. Now we want to make it – what is the technical term, because I am not a banker – 'trust surplus'. I think what you have said is certainly there. But this is where statesmanship comes in that we should be able to resolve this particular question fully keeping in mind our vital national interest and our commitment to Parliament.

Question: After the death of President Yasser Arafat, a new situation has arisen in West Asia. You are having very good relations with Israel also. What is your assessment of the West Asia peace process? Does India have any stake in this?

External Affairs Minister : We are not a major player. At the very moment a meeting is going on in Sharm El Sheikh, of the neighbours of Iraq and the four major countries involved in it. What we have said was the Roadmap which was given by President Bush and Prime Minister Blair should now be implemented and given a chance. Our position on Iraq is well known; our position on Palestine is well known. We have very close relations with the people of Palestine, not recently but since 1938 and before. We have always said that the legitimate rights of the Palestinians must be respected. This does not mean that we do not want good relations with Israel. We have good relations with Israel also. It was the Congress Government in 1992 which established Ambassadorial relations with Israel. But we have conveyed to Israel that legitimate rights of the Palestinians cannot be ignored.

As far as the post-Arafat Palestine is concerned, I think the change over of leadership has been very smooth and done in a very mature manner. I have just had a very friendly and warm letter from the Foreign Minister of Palestine Authority. As you know, I also led a delegation to the funeral of President Yasser Arafat. Lalu Prasadji was a member, Ghulam Nabi Azad sahab was a member, Sitaram Yechury was a member. At the moment the situation is disturbing. We are hoping that peace and amity will return and the roadmap will be implemented as early as possible.

Question : Sir, this question relates to Iraq. Soon after Resolution 1546 was passed, we saw it as the first step towards the restoration of sovereignty.

But in the Joint Statement that was issued in the European Union on the 8th of November it is said, 'We welcome the restoration of full sovereignty to Iraq'. Has there been a change in our position as far as Iraq is concerned. Secondly, in the welcome to 1546 the Government of India saw a central role for the United Nations in Iraq. Do you believe that in the present situation the United Nations is playing a central role in Iraq?

External Affairs Minister : They have a representative there. The former Pakistani High Commissioner of India, Mr. Qazi, is there in Baghdad. The UN is very much involved in it. It was the hope of the European Union and ourselves that (a) everything should be done for the United Nations to play a central role and (b) every effort should be made that the elections to be held in January are held. We have been asked to help in the electoral process by asking our Election Commission to send some people there since we have a fair amount of experience in this field. At the same time I must add that the situation within Iraq at the moment is not a happy situation at all.

Question: Has there been any change in India's policy on Iraq?

External Affairs Minister : No, there has been no change in our policy.

{The text in italics is unofficial translation from Hindi text}

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062. Remarks by Prime Minister Dr. Manmohan Singh at the flagging off India-ASEAN Car Rally.

Vientiane (Loas), November 30, 2004.

"I had the pleasure to be present at the commencement of the First India-ASEAN Car Rally in Guwahati, the capital of the Indian state of Assam on November 22.

While flagging off this event, I said that in organizing this rally we are doing more than setting in motion a rally that will go through nine countries, traversing over 8,000 kilometers through some of the most picturesque regions of the world.

I expressed the hope and confidence that this Car Rally will capture the imagination of our people, in demonstrating the essential oneness of our integrated region.

I see this Car Rally as a journey into the future, demonstrating the possibilities that can come about in trade, tourism, and people-to-people contact by bringing our countries together.

It gives me great pleasure to see and experience once again the high spirit of adventure and sport among the participants of this Rally gathered here to day, as you prepare to proceed to the final leg of the rally to Indonesia. All of you are pioneers in knitting our countries together. In future such overland travel will become commonplace, as it was centuries ago. But today there are considerable hurdles for overland travel, and I am glad that this Rally proves to the world at large that difficulties can be overcome.

Our region and Asia as a whole, are marching with confidence to meet the challenges of the future. Our countries are endowed with tremendous human talent and natural resources. The challenge before us is to put in place cooperative regional activities that will promote development and collective security for all our people.

This is an era of globalization wherein inter-connectivity, whether within a region or between regions, has to be comprehensive. It has to encompass and integrate the human, infrastructural, economic, technological and cultural dimensions.

Our growing interaction with ASEAN is critical to fulfilling the promise of the 21st Century being an Asian Century. By building such bridges of understanding and interaction will we increase and widen the circles of prosperity and growth.

The Third India-ASEAN summit, which has just been concluded, will be seen as a milestone in this journey of common destiny.

I wish to express my appreciation for all those who have contributed to this Car Rally.

I wish the participants of the First India-ASEAN Car Rally all success, safe driving and a happy arrival at your destination."

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063. Question in the Rajya Sabha: "Prime Minister's America Visit".

New Delhi, December 2, 2004.

Replying to the above question the following statement was placed on the Table of the Rajya Sabha:

1. During his visit to New York for the 59th UN General Assembly, the Prime Minister held discussions with the Heads of Governments of USA, South Africa, Pakistan and Afghanistan. Prime Minister also met the Heads of Governments of Japan and Brazil in the framework of a meeting of a Group of Four countries who agreed to work together and support each other for Permanent Membership of the UN Security Council.

2. Major issues on the international agenda, on the agenda of the United Nations and important bilateral issues were covered in these meetings. The meeting with President Bush of USA encompasssed many subjects, the most important being the common commitment to combating terrorism, WMD proliferation and related global threats. Bilateral issues and the direction for further development of the Indo-US strategic partnership were also discussed. In the meeting with President Mbeki of South Africa, the issue of UN reforms, the visit of our President to South Africa and aspects

of bilateral relations were discussed. In the meeting with President Musharraf of Pakistan, it was agreed that further dialogue was the only way forward to find a solution to the outstanding issues between the two countries. With President Karzai of Afghanistan, Prime Minister underlined our support to the Presidential elections and to Afghanistan's development and reconstruction

3. All these discussions were helpful in creating a better understanding between India and the countries concerned and promoting the cause of world peace."

The following supplementary questions were raised in the House:

Shri Lalit Suri : Sir, I congratulate the hon. Prime Minister for his very successful trip to the United Nations. As you know, for the last many years the enlarging of the United Nations' Security Council has been hanging in the balance. The proposal is on. It is not very clear which one will be tier one and which one will be tier two. If India does get a permanent membership without the Veto Power, what stand will India take on that?

Shri Rao Inderjit Singh : Sir, the Higher Level Panel set up by the Secretary-General of the Security Council is to give its report tomorrow. Only after that it will be debated as to what extent the Security Council should be expanded; and, what members are to be nominated to the Security Council. Once that happens, the debates will take charge. India's position is that if you are to become a member of the Security Council, you must have the right to veto.

Shri Lalit Suri : Sir, my second supplementary is, to what extent India, during the discussion with other countries at the United Nations, was able to ensure early normalisation of the situation in Iraq? And, to what extent, if any, India would be able to assist in the conduct of elections to usher in democracy in that country?

Shri Rao Inderjit Singh : Sir, the theme in the United Nations was on various issues, like, Iraq, Afghanistan, what's happening in the Middle East, conflicts in Africa, and the reforms in the United Nations. The hon. Prime Minister went there to talk to leaders on the matter and to try and ensure that India's voice is heard on these matters, and that a decision is taken on global challenges in a multilateral manner. And, in that sense, I think, the

Prime Minister's visit to the United Nations was the most beneficial. He was able to put across the Indian point of view, and was able to make dents in the thinking of the leaders that there should be a multilateral approach to the challenges that face the world.

Shri Anand Sharma : Sir, the issue of reforms in the UN and also the expansion of the UN Security Council is being discussed for the last few years. As the hon. Minister has said, the Special Panel that has been set up by the Secretary-General is expected to give its report by tomorrow. But some excerpts of the report have already been leaked in advance and have been published in newspapers, both in America and in India, making it clear that the Security Council will be expanded and two countries from Asia, two from Africa and two from Europe may be included. But they will be given a second-class membership, that is, they will not have the right to veto. I would like to know from the Government, if that is the case, will India, along with the other three Group 4 countries, that is, Japan, Germany and Brazil, reject the proposal categorically?

Shri K. Natwar Singh : Sir, when the Special Panel was set up by the Secretary-General I was in New York at the time of the Prime Minister's visit there. I met the members of the Panel, who were present in New York at the time. If there are views by any criteria, India's claim for a permanent seat in the United Nations' Security Council is accepted. Now Brazil, India, Germany and Japan are working together. Some excerpts of the report, which will be made available to the member-States by the Secretary-General by the middle of this month, have appeared in the newspapers. I think these are purely speculative. Our position is quite clear that if we are to get into the Security Council, we are not going to get there and not have a veto. Let us examine the details of the report. When the report comes, we will keep the House informed.

Dr. Chandan Mitra : Sir, I would like to congratulate the hon. Minister for the stand that if you are going into the Security Council, you will not get in there without a veto. But it is widely known that the United States of America has been opposed to a large expansion of the Security Council. I would like to know whether, during the Prime Minister's visit to the United States, this matter came up specially in the bilateral talks between India and the US; and, whether the USA's attitude in this regard has, now, become more cooperative than it was before.

Shri K. Natwar Singh : Sir, this matter did not come up specifically in the Prime Minister's meeting with the President of the United States. But the United States knows India's views in this regard. There was a meeting of the Heads of the Governments and Heads of the States. Brazil, India, Japan and the Vice-Chancellor of Germany were working together for this. Our views have been known. We have also expressed in the Joint Statement, which was issued after the meeting of the four Heads of the Governments, that we would like Africa also to be represented, if they expand the Security Council. I agree with the hon. Member that the revision of the Charter and expansion of the Security Council are not going to be easy. Next year is the 60th anniversary of the establishment of the United Nations. This matter has to be resolved before that. It was hoped that it would be resolved at the 50th anniversary in 1995. But it did not happen. We are not alone. There are many other countries that are working for it. But there are certain groups, medium powers, who are not in favour of... Certain countries are coming in. I will not name those countries. It is a very vastly complicated issue. The revision of the Charter has taken place only once when the Security Council was enlarged. Its non-permanent members' strength was increased in 1963. We will make all efforts that we can. But it will be extremely a complicated issue. And, it will have very wide ramifications for the organizations.

Shri Bimal Jalan : Mr. Chairman, Sir, the hon. External Affairs Minister has said that by any criteria India has a right to be in the Security Council. And, I think, all the political commentators internally and internationally have endorsed that point of view, that is, on objective criteria India has to have a place. He has also rightly pointed out that it is an extremely complicated issue. The progress on this issue has been extremely slow and is likely to continue to be slow. But the issue, which I would like the Government to consider and give some thought to is that at the moment, India has a revolving membership without a veto. Will not India's case for a veto be stronger if it has a permanent membership inside the Security Council and pushes for an equality of treatment? That is the issue. I am sure that the External Affairs Minister would know that is the art of the possible. Otherwise we are playing United States' game. If you reject the report of the Committee, which the United States very well want you to, then what is the next step? You will continue to be revolving. Once in a while you will get into the Security Council and keep on pleading. So, why not become a permanent member under protest. Sir, this is an important issue and that is why I have taken a

minute. I normally don't interfere in the Question Hour. But I would like them to reconsider this. Thank you.

Shri. K. Natwar Singh : Sir, I have great respect for the hon. Member. Let us wait for the report, which would be sent to the Member States by the Secretary-General. And, then, after we have studied it, we will take our decision. But let me make it clear that...(Interruptions)….. This issue is very much before the Government. We are all applying our minds to it. There are various suggestions being made. I personally don't want to look at it as a personal matter. But there are serious ramifications for the proposal made by the hon. Member that we get into the Security Council without a veto. I don't think it will be acceptable to this country.

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064. Concluding remarks by External Affairs Minister K. Natwar Singh replying to the discussion in the Lok Sabha on Foreign Policy of the Government.

New Delhi, December 8, 2004.

The UPA Government has completed more than six months in office. I therefore welcome the opportunity afforded to discuss the Government's foreign policy and to explain to the honourable members what we have been able to achieve and what we see as the tasks ahead of us.

2. India's foreign policy has graduated from an event oriented to a process oriented approach. We are following policies based on a careful consideration of the contemporary challenges which India faces as well as the capabilities which we can bring to bear in dealing with these challenges successfully, instead of being satisfied with mere announcements of fresh initiatives.

3. We have put in place a multi-dimensional and consultative process of thought and action. Our foreign policy today has a clearer focus, a sense of maturity and a pro-active character, recognising that the lines dividing the domestic from the external, the political from the economic, are becoming increasingly blurred. Today there is a general recognition that India's destiny

is being guided by steady hands, backed by both experience and wisdom and demonstrating a confidence that we can deliver.

4. India's emergence as a compulsory destination in the itineraries of leaders from every part of the globe reflects the high standing and credibility that the UPA Government and its leadership enjoy.

5. It will be recalled that amongst the earliest crisis that our Government faced was the kidnapping for ransom of three of our citizens in Iraq. After more than a month long patient and delicate effort we were able to ensure safe return of our hostages without sacrificing any of our principles. The successful and mature handling of this crisis set the stage for a reorientation of our foreign policy in the service of the nation in a rapidly transforming and ever more challenging global environment.

6. The UPA Government has re-focussed India's foreign policy giving high priority to relations with all our neighbours. I chose Nepal for my first visit after taking over as India's External Affairs Minister. A number of high-level visits have been hosted from our neighbours, including both the President and the Prime Minister of Sri Lanka, the Prime Minister of Nepal and the Foreign Minister, Commerce Minister and Finance Minister of Bangladesh have been amongst the recent visitors. We have received the Prime Minister of Pakistan and His Majesty the King of Bhutan last month. His Majesty the King of Nepal and the President of Maldives are scheduled to visit India shortly. A major landmark has been the visit of the Head of State of Myanmar to Delhi last month, the first such visit in 26 years. This has resulted in important cross border projects being taken up and coordinated action to deal with insurgency in our border areas. *At the same time we continue to encourage the process of democratisation in Myanmar.*

7. Our engagement with our neighbours has not been limited only to the Government-to-Government level but has consciously encompassed different sections of society and across the political spectrum.

8. We believe it is important that there should be frequent and regular contacts and wide ranging discussions with our neighbours at all levels to take forward and to maximize opportunities for mutually beneficial cooperation. At the same time, this Government has not hesitated to address issues where there may be differences, but has done so in a spirit of friendship and in a constructive search for practical and mutually acceptable

solutions. This will be our approach to the forthcoming SAARC Summit, which is being held in Dhaka in January next year. We remain committed to a collective future of peace and prosperity for the entire South Asian region. *I have just met the Sri Lankan Foreign Minister this morning. Our security related concerns vis-à-vis our neighbours are very much on our agenda and are appropriately being taken up at the BIMSTAC Summit (Bangladesh, Bhutan, Nepal, Myanmar, Thailand apart from India). An important decision was taken by the leaders to cooperate on issues of counter terrorism and the first meeting of the Joint Working Group is to be held in Delhi tomorrow.*

9. With Pakistan, we have put behind us a reactive policy, which frequently oscillated between euphoria and despair. We are engaged in a sustained and comprehensive dialogue process. We will not be deflected by transient developments and often contradictory pronouncements from the other side of the border. Our confidence in taking this process forward is reflected in the number of wide ranging Confidence Building Measures that we have put on the table, including several on a unilateral basis. Our Prime Minister has clearly enunciated the parameters within which we seek peace with Pakistan.

10. In six months we have managed to intensify our relations with China. Prime Minister recently met the Chinese Prime Minister Wen Jiabao during the ASEAN Summit in Vientiane. The Chinese leader said that the most important item on his agenda in 2005 would be his visit to India in March. Two rounds of talks have already been held between the Special Representatives of the two countries on the boundary question. The importance of this relationship is also reflected in the visits recently of two senior Chinese State Councillors and my own meetings with the Chinese Foreign Minister four times in three months in Qingtao, Jakarta, New York and Almaty. During his visit to India, State Councillor Tang Jia Xuan recognized the active role that India could play in international affairs and in the UN Security Council.

11. For India, relations with the U.S. are special because we are both vibrant democracies. Our relations are being expanded across the board. Prime Minister Dr. Manmohan Singh met President Bush in New York in September 2004, which resulted in a strong re-affirmation of the strategic partnership between our two countries. Secretary of Defence, Rumsfeld will be here tomorrow. Our perspectives on specific issues may be different

and that may lead to differences in policies. However, we share a great and enduring affinity as peoples wedded to democratic values and today there is such a broad range of interaction between the two countries across the board, that changes in the U.S. Administration have not resulted in any uncertainty or doubt. India-US relations are beginning to acquire a degree of stability and predictability. We are ready to work together on shared concerns.

Our two million diaspora is a strong factor in this relationship. On missile defence, we have given no commitment about our participation. At this stage, we are being given technical briefings and presentation on missile defence by the U.S. The U.S. Administration has approached the U.S. Congress for the supply of a weapons package to Pakistan, including surveillance aircraft and anti-tank missiles. The UPA Government has expressed our strong concern over this move at very high levels of the U.S. Government. We have pointed out that supply of arms to Pakistan at a time when India-Pakistan dialogue is at a sensitive stage, would have a negative impact. We have also conveyed that U.S. arms supply to Pakistan would also have a negative impact on the goodwill the U.S. enjoys in India, particularly as a sister democracy. On the possible supply of F-16 aircraft to Pakistan the U.S. Government has conveyed that no decision has been taken and is not imminent. We have cautioned the U.S. against such a decision. I would like to assure members that in case of U.S. arms supply to Pakistan, the UPA Government will not hesitate to take steps to ensure that our defence preparedness is not compromised in any way.

12. With Russia, we have a strategic and time-tested relationship which has stood the challenge of a changing global and regional environment. President Putin's recent visit to India provided us an opportunity to take forward these relations to a much higher level of interaction. Significant successes in the field of Space and Energy cooperation have strengthened the strategic nature of the relationship. The signing of four Agreements and six MOUs is indicative of the breadth of our relationship. A declaratory phase in our relations has given way to concrete steps to put substance into our professed intentions. We are also gratified that President Putin supported India's candidature for the UNSC with veto power.

13. There is a growing recognition of India as an indispensable partner by the international community and this is reflected particularly in the

European Union (EU), now consisting of 25 members, seeking a strategic partnership with India. This was the theme of the visit of our Prime Minister to The Hague in November. The declaration on strategic partnership will now be followed by a Political Declaration and an Action Plan to be adopted at the next India-EU Summit next year. This will provide a new focus and add substance to our already wide-ranging relationship with the EU.

14. India's "Look East Policy" which was conceived and initiated by a Congress Government, has now been given a new dimension by the UPA Government. We are looking at our partnership with ASEAN countries, both within BIMSTEC and the India-ASEAN Summit dialogue as integrally linked to our economic and security interests, particularly for our East and North East. Prime Minister flagged off the first India-ASEAN car rally from Guwahati that has drawn enthusiastic support from within the ASEAN countries as also from our North-Eastern States. The adoption of the document on "Indo-ASEAN Partnership for Peace, Progress and Prosperity" at the Indo-ASEAN Summit on November 30, symbolises that India now forms the inner core of countries in ASEAN's political relationship with the rest of the world.

15. The importance which West Asia and the Gulf enjoy in terms of India's interests cannot be over-emphasized, particularly when you consider that more than three million of our citizens live and work in this region. Recognizing this, we have intensified our relations with all key countries in the region, as well as with the Gulf Cooperation Council (GCC) with which we have signed a Framework Agreement for Economic Cooperation. For our citizens in the region, we have recently established 24-hour Helpline centre in Saudi Arabia and will extend this to other capitals. All our Missions and Posts in the Gulf observe an "Open House" once a month to enable our nationals to meet senior officials without appointment to seek any assistance. *There are currently no Indians being held hostage in the Gulf. We were successful in obtaining the release of 3 Indian citizens held hostage in Iraq precisely because of the immense goodwill and credibility India enjoys in the region.*

The UPA Government has taken a decision not only to increase the number of Haj pilgrims from India but has also restored the subsidy which had been reduced by the previous government.

16. Our longstanding friendship with the Palestinian people and our support for their cause was reaffirmed when I led a multi-party delegation

to Cairo to pay homage to the memory of Yasser Arafat, the much revered leader of the Palestinian people. *In September, my colleague Minister of State for External Affairs Shri E. Ahmed had visited Ramala with a goodwill message from our Prime Minister reiterating out unwavering support to Palestine, which was greatly appreciated by the late President Arafat.*

17. Our Government has made a clear-cut enunciation of our policy of not sending troops to Iraq which has been endorsed by Parliament. At the same time, we have maintained our engagement with the friendly people of Iraq. This has taken the shape of humanitarian and reconstruction aid and more recently support for the forthcoming election process in the country. The restoration of political stability in Iraq is of direct concern to India, which depends upon this region for a substantial part of our energy supplies and also because 3.5 million of our citizens live and work in this region.

18. One of the key achievements of the UPA Government has been the 'Focus Africa Policy'. In the last few months, in India-Africa relations, in terms of more and greater exchanges of high levels visits, greater economic and technical cooperation, both bilateral as well as within the context of the African Union, and India's contributions to peace-keeping in several African countries. Illustrative of this is the announcement by our President, while visiting South Africa in September 2004, of an ambitious project for linking all 53 African countries through a satellite as well as a fibre optic based network. This would be the backbone of services such as tele-medicine, distance education and IT-enabled services.

19. Central Asia is not only a strategic region, but also our extended neighbourhood with which we enjoy longstanding, historical and cultural relations. We see Central Asia as an important economic partner, particularly in terms of our energy requirements. We are moving quickly to intensify our relations with countries in the region through high level visits and improved communications and increased economic and commercial relations. I myself visited Kazakhstan in October and we also hosted the Foreign Minister of Uzbekistan.

20. We have also intensified interaction with Latin America and the Caribbean both at the bilateral level and with the regional groups. Ministerial visits of Foreign Ministers of Mexico, Venezuela, Suriname, and the visit of MOS(RIS) to Panama, Colombia, Dominican Republic and El Salvador has maintained high level interaction with the countries of the region. Our

commonalities with Brazil have continued to grow as we collaborate with them on Security Council Reform and the WTO. *We are in the process of finalising a PTA (Preferential Trade Agreement) with MERCOSUR (Brazil, Argentina, Uruguay, Paraguay) and are negotiating one with Chile.*

21. Let me now turn to the United Nations. The efforts of the UPA Government have ensured that India's claim today to be a permanent member of the Security Council within the context of overall reform of the UN has been well established within the international community. It was, thanks to intensive diplomacy on our part, that we were able to create a common platform of the four most credible aspirants for permanent membership of the Security Council. India, Brazil, Germany and Japan are mutually supportive of each other and have agreed to work together to realize their shared objective. We also support African representation in the permanent membership. Recently the panel appointed by the UNSG on "Threats, Challenges and Change" has submitted a number of recommendations on institutional changes in the UN, including in the composition of the UN Security Council. We will study them and in consultation with other member states decide how to take the process of reform forward during the next year.

22. As I have stated before, foreign policy today cannot be divorced from domestic developments. In order, therefore, to ensure a more consultative approach in our foreign policy, I have initiated mechanisms for coordination with other Ministries and agencies as well as with State Governments, particularly those which border our neighbours. For example, we are closely coordinating our diplomacy with the Ministry of Petroleum and Natural Gas in respect of securing energy supplies for Indian in different parts of the world. We are also engaged in a major programme for the upgradation of cross border infrastructure for our neighbours, working together with the Ministries of Home and Surface Transport as also with state governments.

I am grateful to the Honourable members for the valuable suggestions that have been made in the House in the course of the debate. I have repeatedly emphasised that India's Foreign Policy has traditionally been based on a national consensus. It is our intention that this consensus should be maintained and strengthened.

Recognising that there is much wisdom which also lies beyond the corridors of South Block, I have set up a foreign policy Advisory Group to

get inputs on important contemporary issues from experts and academics outside the government. We have also been hard at work to make the Ministry of External Affairs a much more effective instrument for implementing our foreign policy. Today there is much better morale in the Indian Foreign Service and a much more collegiate style of work with the result that the quality of our diplomacy has improved considerably. This effort, of course, will continue.

I agree with Honourable members that the practice of diplomacy must respond to the needs of the times. Accordingly, our Ambassadors abroad have not only become active in economic diplomacy but have also been reaching out to the Indian diaspora with a view to involving them in the exciting task of building a new India. Our Heads of Mission are also mandated to look after the interests and security of Indians abroad. Regular training courses for different levels of our Foreign Service personnel are conducted by the Foreign Service Institute.

23. You will agree that within a short span of six months, the UPA Government has given us a foreign policy which is purposeful, result-oriented and proactive. While it has been the endeavour of this Government to follow the basic principles of our foreign policy which have guided India since its independence, we have reoriented and readjusted it wherever necessary in response to the new challenges that we control today. It is a matter of satisfaction that today India enjoys a unique profile in the international arena as a factor for stability, a model for plural and secular democracy and an economic power house that is destined to play a greater role in the international affairs. We acknowledge that many difficult challenges lie ahead and our resources are limited. However, there is now a sense of assurance and confidence with which we continue on our journey towards a destiny that was eloquently articulated by India's first Prime Minister and Foreign Minister Pandit Jawaharlal Nehru in 1947, a destiny in which India, **"attains her rightful place in the world and makes her full and willing contribution to the promotion of world peace and welfare of mankind."**

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065 Suo Motu Statement by Prime Minister Dr. Manmohan Singh in the Lok / Rajya Sabha on his visits abroad and visits of Foreign Leaders to India.

New Delhi, December 21, 2004.

Speaker Sir,

Since the last session of Parliament, I have had the opportunity to interact with a number of world leaders during my visits to London, New York, The Hague and Vientiane.

I visited London at the invitation of Prime Minister Blair on 19-20 September en route to New York for the UN General Assembly Session. Following our talks, we adopted a Joint Declaration on "India-UK : Towards a new and dynamic partnership". This Declaration outlines areas of future cooperation in our strategic relations reinforcing our partnership in foreign and defence policy, on combatting terrorism in all its forms and manifestation, expansion of economic ties and intensifying cooperation in the areas of Science & Technology, education and culture. Prime Minister Blair reiterated UK's support for permanent membership of India in the UN Security Council.

Our relations with the UK, one of our most important political and economic partners will receive special focus in 2005, when the UK will hold the Chairmanship of the G-8. It will also hold the Presidency of the European Union in the second half of 2005, when we expect to hold the 6th India-EU Summit in New Delhi.

I addressed the United Nations General Assembly in New York on September 23, 2004. The broad themes covered in my address were: the global and transnational character of the challenges confronting the world, the need for a global response based on consensus, and the need to impart substance and credibility to the global war against terrorism. I emphasized India's commitment to multilateralism and to its embodiment - the UN, the imperative of reforms to enable the UN to refashion itself to become relevant to our times. I outlined the reasons why we believe India should be a permanent member of the UN Security Council.

In this context, a Summit of the leaders of, what is now being termed as the 'Group of Four aspirants' - Brazil, Germany, India and Japan was held on September 21, 2004 in New York. This was a significant statement

of our intent to participate in the UN reform process on the basis of a mutual understanding to support each other for permanent membership of the Security Council. We also highlighted the need to reform the Security Council to make it more representative and effective.

Sir,

While in New York, I also had bilateral meetings with the Presidents of USA, South Africa, Afghanistan and Pakistan.

My meeting with President George Bush was very positive in setting the direction for further development of India-US Strategic Partnership. We welcomed the recent implementation of Phase I of the Next Steps in Strategic Partnership. We agreed on the need for expanded economic and defence cooperation. We recognized the importance of working closely in the war against terrorism and proliferation of weapons of mass destruction.

During my meeting with President Musharraf, I conveyed our sincere desire to pursue the dialogue with Pakistan systematically and on a sustained basis. I emphasized to President Musharraf the criticality of his fulfilling the reassurance of January 6, 2004, that any territory under Pakistan's control would not be used to support terrorism in any manner.

We agreed that confidence-building measures (CBMs) of all categories under discussion between the two governments should be implemented. This should be done keeping in mind practical possibilities, as these will contribute to generating an atmosphere of trust and mutual understanding so necessary for the well-being of the peoples of both countries.

We also discussed bilateral issues, including Jammu and Kashmir. We agreed that possible options for a peaceful, negotiated settlement of the issue of J&K should be explored in a sincere spirit and a purposeful manner. I made it clear to President Musharraf that while we are willing to look at various options, we would not agree to any redrawing of boundaries, or another partition of the country.

The possibility of a gas pipeline via Pakistan to India was also discussed in context of the bilateral economic and commercial relationship. We feel such a project would have considerable mutual benefits.

On November 23, I highlighted these points concerns to Pakistan PM Shaukat Aziz who visited India as the current SAARC Chairman.

We intend to pursue the path of cooperation and dialogue with Pakistan in an atmosphere free of mistrust and terror, building upon the support that we have received from the people of the two countries, and without compromising upon our basic national interests. Technical level meetings on various subjects are already underway. The two Foreign Secretaries would meet on December 27-28, 2004, to initiate the next round of the Composite Dialogue.

The 5th India-EU Summit was held at The Hague on 8th November 2004. This Summit represents a landmark for it launched the India-EU Strategic Partnership. This Partnership is a recognition of India's growing stature as a major regional and global power. India and the EU agreed to intensify consultations on a range of issues, including on UN reforms and major multilateral conferences, on disarmament and non-proliferation and to strengthen joint efforts in fighting terrorism. With regard to our economic relations, we also agreed to find ways to enhance our trade and investment relations. Two proposals of special interest were the decision to set up an Energy Panel to discuss cooperation in energy matters and an Environment Forum.

In order to carry forward and intensify our relations in various areas, the EU and India will prepare a Joint Agenda for Action over the next few months. We hope the Joint Agenda will be endorsed at the 6th India-EU Summit to be held in New Delhi next year.

I visited Vientiane, Lao PDR, to participate in the 3rd India- ASEAN Summit which was held on 30th November, 2004. Our relations with ASEAN constitute an important cornerstone of our "Look East" policy. At the Summit, ASEAN leaders and I signed the document titled "India-ASEAN Partnership for Peace, Progress, and Shared Prosperity". This Partnership lays out a short to medium term road map of India-ASEAN cooperation in various sectors.

The 3rd India-ASEAN Summit gave us an opportunity to take stock of the progress made in India-ASEAN relations over the last two years and consider new initiatives and measures to further strengthen cooperation in various sectors such as economic, science and technology, information

and communication technology, agriculture, health and pharmaceutical and people to people contacts. We also reviewed the progress in the negotiations of the India-ASEAN Free Trade Agreement in goods.

The potential of India-ASEAN cooperation is not confined just to the economic sphere, but includes human resource development, science and technology, health and pharmaceuticals, information and communication technology and agriculture.

During this Summit I also met the leaders of Japan, The People's Republic of China, Singapore, Lao PDR, Vietnam, Australia and Indonesia and exchanged views on issues of mutual interest. In my discussions with the Chinese Premier we reviewed the progress made in the two rounds of talks between our Special Representatives on the Boundary question and agreed that these would continue with a focus on substantive issues.

Recently we have also received several important leaders here in New Delhi. I should like to inform Hon'ble Members about these.

Russian President Putin's visit on December 3-4 was of great significance and has given considerable momentum to substantive aspects of our strategic partnership. Our discussions were marked by traditional trust and mutual confidence.

Cooperation in the field of energy was a particular focus; we signed 5 MOUs on cooperation in the petroleum sector. We also signed two agreements relating to cooperation in the field of space, including in respect of the Russian Satellite Navigation System GLONASS.

There was purposeful discussion on the supply of defence equipment and spares and we received a categorical assurance that recurrent issues that have arisen with the supply of spares will be dealt with.

We in turn agreed to support Russia's accession to the WTO and to treat Russia as a Market Economy for purposes of anti-dumping investigations, to which the Russian side attaches great importance.

We have also maintained a high tempo of productive engagement with our neighbouring countries and received their leaders.

I met His Majesty the King of Bhutan on November 25 and had an

extended discussion with him covering the various aspects of our close and mutually beneficial cooperation. He has agreed to be the Chief Guest at our Republic Day celebrations next year.

The President of Sri Lanka, Mrs. Chandrika Bandaranaike Kumaratunga, visited India from 3-7 November, 2004. Discussions were held on various bilateral and international issues of mutual interest including expansion of economic ties through early conclusion of a Comprehensive Economic Partnership Agreement, utilization of lines of credit and cooperation in areas such as power and transportation. The President also briefed us on internal developments in Sri Lanka, including the state of the peace process.

The Prime Minister of Nepal, Mr. Sher Bahadur Deuba visited India from 8 to 12 September. This visit provided us an opportunity to share perceptions on current developments within Nepal as well as India's assistance to various developmental projects in that country. We emphasized our traditional policy of support for multi party democracy and constitutional monarchy as the twin pillars of the Nepalese Constitution. We are in continuous touch with Nepal with regard to the security situation in that country. His Majesty, the King of Nepal, will be coming to India on December 23.

The Chairman of the State Peace and Development Council of Myanmar, Senior General Than Shwe paid a state visit to India from 24 to 29 October 2004. This was the first Head of State level visit from Myanmar in 24 years. An MOU on Cooperation in the field of Non-Traditional Security Issues was signed during the visit. Expansion of bilateral cooperation in industry, energy, rural transportation, communication and S&T were also discussed. We conveyed that while India did not wish to interfere in Myanmar internal affairs, we would welcome early realization of the goal of multi-party democracy based on national reconciliation and an inclusive approach.

Sir,

During this period, other important visitors we received include the Chancellor of the Federal Republic of Germany Mr. Gerhard Schroeder, the President of Republic of Korea, Mr. Roh Moo-Hyun, the Prime Minister of New Zealand Rt. Hon. Helen Clark, Prime Minister of Morocco Mr. Driss

Jettou and the President of the Slovak Republic. The Prime Minister of Malaysia is currently on a State visit to India.

Sir,

It is now seven months since our Government took office. Our objective is to focus on the centrality of national interests in the conduct of our external relations and the pursuit of our economic interests. We have taken important initiatives, keeping in mind the imperative of retaining our freedom of options, remaining alive to our concerns. Our efforts have contributed to making the international environment for India's development more secure. I am confident that our foreign interlocutors have a better appreciation of our position on issues of importance to India. We will continue to remain engaged in this endeavour. I am placing on the Table of the House for information of the Honourable Members the following documents:

1. India - UK: Towards a New Dynamic Partnership: A Joint Declaration[1]
2. U.S. - India Partnership: Cooperation and Trust[2]
3. India - Pakistan Joint Statement[3]
4. Statement by India, Brazil, Germany and Japan (G - 4)[4]
5. Joint Press Statement of the India - EU Summit[5]
6. ASEAN - India Partnership for Peace, Progress and Shared Prosperity[6]

On the same day responding to a series of questions posed by Rajya Sabha Member Shri Yashwant Sinha with respect to Prime Minister Manmohan Singh's suo moto statement in Parliament on his overseas visits, Dr Singh clarified that "there is no ambiguity in India's stand on the veto power of permanent members of the United Nations Security Council. "Let me remove any doubts, if there are any doubts" the PM said, and added: "There is no ambiguity in our stand. There is no confusion. At this point all permanent members of the UNSC have veto

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1. Document No. 385
2. Document No. 304
3. Document No. 150
4. Document No. 71
5. Document No. 339
6. Document No. 231

power. We do not believe there should be any discrimination in the permanent-membership status in the UNSC." The PM further added that there was "no clarity on what shape the Security Council reforms would eventually take. Let us not pre-judge the outcome. The UN is a complex organization and we have to see how this debate on UN reform moves forward." He said India was in touch with the G-4 Nations, Germany, Japan and Brazil, and that "it is not clear what the final outcome would be."

On the Government's stance on India's nuclear status also the PM said there was "no ambiguity". He repeated his earlier statement in Parliament that "India is a nuclear weapon State." He added that India remains committed to her civilisational approach to complete non-discriminatory universal nuclear disarmament."

To a question on the status of nuclear fuel supply from Russia, the PM said, "Russia has stated that it will honour all its contractual obligations."

To a question on the reference to terrorism in the joint press statement issued by the PM and Pakistan President Pervez Musharraf in New York, the PM said, "I do not share the perception of any dilution (as alleged by Mr Sinha) of India's stance as articulated in the January 6th, 2004 joint statement of President Musharraf and Prime Minister Atal Behari Vajpayee. The PM said that he emphasized to President Musharraf the criticality of his fulfilling the reassurance of January 6, 2004, that any territory under Pakistan's control would not be used to support terrorism in any manner. The PM reiterated that "If this does not happen all other confidence building measures would have no meaning".

In response to a question on whether the PM discussed US arms supply to Pakistan with President Bush in New York, the PM said that he had not discussed this issue with the US President but the matter was taken up by the Government with US Defence Secretary Donald Rumsfeld during the latter's recent visit to India.

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066. Media briefing by Official Spokesperson on the meeting of the Consultative Committee of Parliament attached to the External Affairs Ministry.

New Delhi, December 21, 2004.

Official Spokesperson: Good Evening I just wanted to give you a sense of the External Affairs Minister's remarks this morning at the Consultative Committee Meeting. The theme for the discussion today was relations with our neighbors. That is the SAARC member countries plus Myanmar.

The External Affairs Minister began by saying that the UPA government has refocused India's Foreign Policy giving a higher priority to the relations with our neighbors. That was also the reason for the choice of the theme of the discussion today. I just give you an idea of what he said on various things without going into too much detail. They spoke on relations with Nepal, which as you know was the first country that the External Affairs Minister visited after taking office. In September there was a fruitful and productive visit by the Prime Minister Deuba and the King is scheduled to pay an Official visit later this month. Work is carrying on on the discussions on the Extradition Treaty and the Mutual Legal Assistance Treaty. He also shared the concern that has been felt to the Maoist insurgency situation in Nepal, which is considered as a shared security concern with Nepal given the India Nepal border and the links between the Nepali Maoist groups and the groups in India. He also mentioned the upgradation of the border infrastructure along the India – Nepal border by improved Link Roads, Rail Connectivity and establishing integrated check posts.

He reviewed the relations with Bhutan particularly the economic cooperation. After having completed two Important power projects Chukha and Kurichu , the third major project , the 1020 MW Tala Hydron - electric project is to be completed shortly. As you know His Majesty the King of Bhutan is coming as the Chief Guest for the Republic Day.

Reviewing relations with Bangladesh, External Affairs Minister pointed out that frequent and regular contact and wide ranging discussions have been held with Bangladesh at all levels. Foreign Minister of Bangladesh visited India in May 2004 and in October. Commerce Minister came in November and Finance Minister in December. Security concerns in relations to Bangladesh were also pointed out, that is the security concerns we would

wish Bangladesh government to address. Economic relations were discussed. Bilateral trade stands at USD 1.5 billion and recently Indian Corporate houses have been showing interest in investment in Bangladesh. Tata Group has signed an Expression of Interest to invest USD 2 billion in three projects and India has offered Flood Relief Assistance of Rs. 200 crore to buy food, medical supplies and building materials from India.

On Myanmar it was pointed out that India shares a long and sensitive border as well as a maritime boundary in the Bay of Bengal and this has a direct bearing on the economic development and security of our North Eastern region as also our strategic interests in the Bay of Bengal and the Indian Ocean. Myanmar is also a pivotal link in our relations with ASEAN countries. Therefore, our policy towards Myanmar has been one of constructive engagement. General Than Shwe's visit was reviewed which, as you know, took place in October. He had reiterated that Myanmar would not allow its territory to be used for hostile activities against India. External Affairs Minister also mentioned the various agreements and MoUs, which were signed during the visit.

With Sri Lanka, relations were described as excellent as reflected in the frequent high level visits and close interaction with all major political parties and Sri Lanka's support for our candidature for a permanent seat in the UNSC. As you know the President, Prime Minister and the Leader of opposition have visited India in the last six months. Economic relationship is proving to be a model for other countries in the South Asian region. Success of the FTA signed in March 2000 has prompted the two countries to upgrade the FTA into a comprehensive Economic Partnership Agreement. The FTA led to an increase 128 per cent in bilateral trade in the last three years. India is today Sri Lanka's biggest FDI partner.

The situation in Maldives was reviewed – bilateral relations plus the recent political developments in Maldives.

With regards to Pakistan External Affairs Minister underlined that our intention was to engage in a sustained and comprehensive dialogue. He has pointed out that the atmosphere between the two countries was considerably improved. He believed that greater people – to – people interaction would open the doors for a better appreciation of India's stance and for bilateral relations and therefore we follow a conscious people centric policy. He also talked about the Composite Dialogue and the progress that has so far been made. Several technical level meetings have been held

between the two sides in November and December 2004. Wide range of issues – narcotics control, railways, coast guards, maritime security, nuclear and conventional CBMs, Srinagar Muzaffarabad bus service and a joint survey of the Sir Creek area.

These are the broad elements which were mentioned by External Affairs Minister which was followed by some discussion with Members of Parliament. A fairly extensive discussion took place in which the Honorable Members of Parliament focused on various countries of the neighboring region and shared their concerns. Essentially, the External Affairs Minister underlined that it is important that we engage with our neighbors in the spirit of friendship and in the constructive search of practical and mutually acceptable solutions and this will be our approach in the forthcoming SAARC summit in Dhaka next month.

Question: On the upgradation of the border with Nepal. Is it as continuous process or are some special measures planned?

Answer: It is a process that is naturally, continuous but there is a focus on now upgrading the border infrastructure by improving Link Roads, Rail Links, establishing integrated check posts, closer cooperation in the water resources area. Essentially, if you are going to be dealing with a neighboring country like Nepal where trade, travel, tourism has such a major role to play then we also need to strengthen the infrastructure which exists on both sides of the border so that you can have a practical manifestation of these improvements.

Question: Has the External Affairs Minister's visit to Nepal been called off or postponed?

Answer: I understand it is postponed.

Question: Any reason?

Answer: I think it is because the Parliament is on.

Question: Was the meeting only about the neighborhood?

Answer : Yes, neighbourhood, SAARC countries and Myanmar.

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067. Speech by External Affairs Minister K. Natwar Singh replying to the Short Duration Discussion in the Rajya Sabha on the Government's Foreign Policy.

New Delhi, December 22, 2004.

Mr. Chairman, Sir, two days ago we had a very lively and stimulating debate on foreign policy in this House. Twenty hon. Members participated in the debate and I made some note of their names, but some of them are not here today. They are Shri Janeshwar Mishra, Shri Yashwant Sinha,...

Shri Yashwant Sinha : I am present here.

Shri K. Natwar Singh : Occasionally, people mix you up with the other gentleman.

Shri Yashwant Sinha : I thought you are only mentioning the names of those who are not present.

Shri K. Natwar Singh : .... Dr. Karan Singh, Shri Nilotpal Basu, Shri S.S. Chandran, Dr. Alladi P. Rajkumar, Dr. P.C. Alexander, Shrimati Ambika Soni, Shri Ravi Shankar Prasad, Shri Shankar Roy Chowdhury, Shri Anand Sharma, Dr. Farooq Abdullah, Shri Chandan Mitra, Shri Bashistha Narain Singh, Shri Eknath Thakur, Shri R.S. Gavai, Shri M.P. Abdussamad Samadani, Prof. Saif-ud-Din Soz, Shri Abu Asim Azmi and Shri Ashwani Kumar. Many constructive and imaginative suggestions were made and I have taken careful note of them. Embarrassing but genuine encomiums were showered on me and I am indeed grateful.? I tried to do my best. That is all, I or any other Foreign Minister can do. We are living in interesting times. It is a good time to be the Foreign Minister of a great country like India.

What is particularly gratifying is the unanimous view expressed on the need for maintaining national consensus on foreign policy and that broad national consensus had existed for 57 years, with one or two occasions when there was a little wavering. Now this consensus has enabled our country to play an influential and effective role in world affairs. I can assure you, hon. Members, that the UPA Government regards this consensus in the foreign policy as a precious legacy which we will endeavour to maintain and build upon as we face new challenges of a rapidly transforming international environment.

Let me, Sir, give a brief historical-cum-philosophical dimension to our debate. The 19th century was wedded to the gospel of progress, that is, progress was inherent in history. The 20th century proved that this was not so. I don't consider the two World Wars and the invention of weapons of mass destruction as signs of progress. It was, therefore, humankind's hope that the 21st century would usher in an era of peace, goodwill and harmony. Instead, the tragedy of 9.11.2001 has rekindled the climate of fear and hatred that we thought we had put behind us and has spawned the relentless violence, terrorism and conflict that continue to ravish the cities of Iraq and threatening to engulf the other regions as well.

Sir, one of the items which I had hoped to be raised in this House was: How do we, in the world as a whole and in the western countries in particular, deal with the question of the Muslim world? There are 1.3 billion Muslims in the world. Four hundred and fifty million of them live in this sub-continent. There is no doubt that from Mauritania to *Maidan*-i-Sumatra, the Muslim psyche has been hurt, and every effort should be made that this is put right; otherwise, this issue is likely to dominate the agenda of international affairs for a number of years to come, and it will do nobody any good. We have some acquaintance because Islam came to India in the 8th century. We are good at reconciling contradictions. Crisis management is our forte. So, I told our American friends that in this area we are in a position to help and advice you.

Sir, the world is fragmenting and integrating at the same time. This is a paradoxical situation, and the world community has to come in terms with it. India with its plural democracy and its secular ethos has a message of reconciliation and tolerance that the world solely needs to regain a sense of sanity and balance. Before I deal with specific issues relating to our Foreign Policy, on which several Members have offered, as I said, useful comments, or, sought clarifications, let me make a couple of broad observations. And I do this with great respect.

Sir, the first point that I would like to make is that the Foreign Policy of the UPA Government is made in the Ministry of External Affairs and not through the media. Second, to determine what the Foreign Policy of the Government is, one should pay attention to authoritative statements made by the Government, through its designated spokesmen, especially the statements that are made here in this august House and in Parliament.

There will always be media reports that may seek to confuse the issue, or, claim to quote someone within the Government, I think, we should ignore such reports. The authoritative statements on India's Foreign Policy are statements that are made openly and on record in Parliament. I said that the UPA Government values national consensus and continuity as well in our Foreign Policy. An observation was made that while we profess to practise continuity, we then proceed to make change in the policy. Now, that depends on the circumstances. The international or national agendas are not static. In today's fast-moving world momentous events are rushed through, and we have to respond to them. Sometimes, the response is not as quick as it might be, and sometimes, to the good things, the responses are immediate because to make Foreign Policy, instant Foreign Policy, to answer questions of the media, is getting into troubled waters. So, one has to exercise a great deal of judgement and a great deal of patience and skill.

Sir, there are fundamental elements underlying India's Foreign Policy which constitute an element of continuity. To the extent that the previous Government recognised these fundamentals, or, based the country's Foreign Policy on these principles, naturally, there will be continuity. However, there are elements in the NDA's Foreign Policy, and the manner in which the policy was implemented with which we do not agree, as you did not sometimes agree with us. That does not mean that there are fundamental or basic shifts in our Foreign Policy because they are not; there is no room for them. And those aspects where change was necessary, changes were made and will be made. For example, in our judgment, the NDA Government should have paid more attention to our immediate neighbours and not kept totally preoccupied with Pakistan. We have corrected that. I myself made Nepal my first destination, after taking over as the External Affairs Minister.

The NDA's Pakistan policy was a series of flip-flops with no clear strategy. The UPA Government, by contrast, has a clear-cut and well-thought out road map for peace with Pakistan, which it is implementing with a steady hand. Now, take for example from Lahore to Kargil, from Agra to Islamabad, 6th January, 2004, here, I want to compliment my dear colleague and friend, Shri Yashwant Sinha, you see the contrast in Agra handled by a non-professional at a high position and you see Islamabad, civil servant, trained mind, and he achieves, 06.01.04, composite dialogue element.

Shri Rajiv Shukla : What a solidarity!

Shri K. Natwar Singh : I want to mention this to you because I know you have a difficult task. So, when you came from Islamabad, after January 6, 2004, we congratulated... (Interruptions)

Now, Sir, let us turn...(Interruptions) Let me turn to the various elements of our foreign policy and in doing so, I also endeavour to respond to some of the queries which have been posed, as also some clarifications that were sought.

Sir, the UPA Government has been in office for seven months. It has not been in office for any longer period of time. Maybe, in some areas we have not been able to do what we might have. But I can assure you, if there are any lacunae, they will be put behind us.

During this period of seven months, our country's foreign policy has achieved significant successes and is well poised to meet the challenges that lie ahead, and there are challenges. India is, today, regarded as an indispensable partner by countries, big and small, all over the globe. The UPA Government leadership have come to enjoy a high standing and credibility in the international arena. With this brief span of time, we have played host to a large number of distinguished leaders from countries across the world, and these are Presidents of Russia, Nigeria, Korea, Sri Lanka, Slovak Republic, Chancellor of Germany, King of Bhutan, Prime Ministers of Singapore, Pakistan, Nepal, New Zealand, Morocco and Malaysia, and also the Foreign Ministers of Kuwait, France, Japan, Bangladesh, Senegal, Uzbekistan and Mexico; and, I am sure, Members will agree, India is today a country which everyone wishes to remain engaged with.

The UPA Government attaches the highest priority to India's relations with its neighbours. A number of Members have expressed concerns about the situation in Nepal and have asked what our Government has done to address the situation. This is a legitimate question and I will try and answer this. On the one hand, we have started efforts to bring all political parties together on a national platform, and, on the other, encourage the monarchy and the political parties to work together to seek an early resolution of the continuing political crisis in Nepal. A grave challenge posed by Maoist insurgency, which is also a threat to India's security, as Shri Yashwant Sinha said, can only be met by forging of a broad national consensus within Nepal and a very close cooperation between India and Nepal. We have not hesitated to extend all possible assistance to the Royal Nepalese Army

and security forces in Nepal in order to raise their capabilities in dealing with the complexities of counter-insurgency warfare. The situation is very serious. We have increased surveillance along the Into-Nepal border by deploying para-military forces. There is much better intelligence sharing and cooperation across the border. It must be recognised however, that we are faced with a complex situation and there are no easy answers. What I would like to assure the hon. Members of this House is our determination and resolve to safeguard India's interest and at the same time support Nepal to preserve and multi-party democracy and constitutional monarchy. We will soon have the honour of receiving His Majesty, the King of Nepal to India and this will provide us an opportunity to redouble our efforts to see an improvement in the situation. We have hosted a number of high level visits from our neighbours. Soon after the UPA Government took office, the Prime Minister of Sri Lanka paid a visit during which we reaffirmed our commitment to unity and territorial integrity of Sri Lanka and our readiness to extend economic and security assistance to the island nation. The President of Sri Lanka was also here recently, in early November, and this provided an opportunity to exchange views on the emerging situation in Sri Lanka at the highest level. We established contacts with all political elements in Sri Lanka and today there is a national consensus in Sri Lanka towards maintaining the most friendly and cooperative relations with India. India has also emerged as a significant investor in Sri Lanka with Indian Oil Corporation establishing a major presence in the petroleum sector. Our trade is increasing and we are now on the threshold of forging a comprehensive economic partnership with our neighbour. Some Members have raised the issue of Indian fishermen being detained in Sri Lanka for violating maritime boundary.? I am in touch with the Chief Minister of Tamil Nadu. I am in touch with other parties in Tamil Nadu. I am in touch with Members of Parliament.

Shri V. Narayanasamy : Fishermen from Pondicherry are also affected.

Shri K. Natwar Singh : Most certainly, Pondicherrry is also adversely affected.

Shri P. G. Narayanan: Violations are taking place daily but you have not stopped.

Shri K. Natwar Singh : It is necessary for our fishermen to avoid violating the international boundary just as we do not wish to see our territorial waters

being violated by others. However, whenever Indian fishermen have strayed into Sri Lankan waters we have been able to obtain their release through our good offices with Sri Lanka except in cases where there may have been some criminal offence committed. The Sri Lankan Government has been helpful in treating this as a humanitarian problem. I wish to inform House that we are currently working on a bilaterial MoU on Cooperation in Fisheries through which we will try and find a more enduring solution for such problems and I can assure the Members and we are fully seized of this problem. With Bhutan, we maintain the most cordial and friendly relations and India-Bhutan cooperation is a model for neighbours, both in our region as well as in the world. Our contacts at the highest level have been intensified in recent months. I myself paid a visit to Paro in October 2004. While His Majesty, the King of Bhutan paid a friendly visit to India in late November. I am planning to lead a delegation to Kurichu in Bhutan for the inauguration of an Indian assisted hydro-electric power plant in the presence of his Majesty, the King of Bhutan. As the House is aware His Majesty, the King of Bhutan would also be our Chief Guest at the Republic Day function next year. We have had a number of high level visits from Bangladesh, including by the Foreign Minister, Commerce Minister and the Finance Minister. The Prime Minister will soon be leading a delegation to Dhaka for the 13th SAARC Summit, when the SAARC completes twenty years, which will also provide us an occasion for us to have contacts at the highest level with our counterparts in the SAARC, during this Summit.

As various hon. Members have had occasion to point out, there are, of course, important issues on the bilateral agenda with Bangladesh. We have urged Bangladesh to fulfil their commitment, not allow its territory to be used by Indian insurgent groups and other hostile elements for carrying out violent activities in India's North-East. And, we will take it up again. On the other hand, we have offered to strengthen economic and trade links with that country, including through significant economic assistance for the development of its infrastructure. We have pointed out that the energy cooperation between India and Bangladesh and the willingness of Bangladesh to provide transit facilities to India's North-East would result in a win-win situation for both the countries. We will continue with our diplomatic efforts to achieve some progress in this regard. And, I intend to keep the House informed. Let me assure the House that even while continuing with our diplomatic efforts, we have taken steps to safeguard our security along the India-Bangladesh border. The fencing of the border is being accelerated.

There is, now, increased deployment of paramilitary forces in a determined effort to check illegal immigration, smuggling and other criminal activities. There will be no slackening in our effort in this regard.

With Maldives, we have excellent relations. We will soon be receiving President Gayoom on an official visit. Reflecting the importance that Maldives attaches to its relations with India, the country has established its High Commission in New Delhi and the new High Commissioner has recently presented his credentials to our President. We have expressed concern over the recent developments in Maldives. But we are encouraged that the process of democratic reforms, launched by President Gayoom, appears to be on track. Elections to the new *majlis*, their Parliament, are to be held shortly.

I would, now, like to turn to our relations with Pakistan. The Prime Minister, Dr. Manmohan Singh, had a landmark meeting with the President Musharref in New York on 24th September. There were two very important messages conveyed to the President Musharraf; one, the importance of implementing the assurance, contained in the January 6, 2004 joint statement that no territory, under the control of Pakistan, would be used for cross-border terrorism against India; and second, that no solution to the issue of Jammu & Kashmir could involve a re-drawing of boundaries or any other partition of India on the basis of religion. This was re-affirmed to the Prime Minister, Shaukat Aziz, when he visited Delhi in late November, this year. The hon. Prime Minister has himself cleared any doubts on this score from the floor of this House, yesterday. Instead of constantly quoting what the Prime Minister of Pakistan and the President of Pakistan have been reported as saying, why not pay attention to what our leaders are saying? There is no drift in the India's Pakistan policy. It was the NDA Government which travelled from Lahore to Kargil to Agra, and, then, to Islamabad through a number of energetic somersaults. The truth is that we have completed the first round of the composite dialogue. And, the second round is currently in progress. We have presented to Pakistan seventy-two items of Confidence Building Measures in every area of bilateral relations. To some, the response has been helpful; to some, has been constructive; to some, it has not been helpful as it might be; and, in others the talks are going on. The Foreign Secretaries of the two countries are due to meet in Islamabad on December 27 and 28 of 2004, where they will not only review the progress in the composite dialogue, but would also, in a substantive

manner, discuss issues relating to peace, security as well as Jammu & Kashmir. I will myself be visiting Pakistan in February next year. The dialogue process is on track and we continue to make modest progress. As I have said earlier, when it comes to India-Pakistan relations, even a modest progress is worthy of respect. Let me also clarify the Government's position with regard to the Hurriyat. The people of Jammu and Kashmir are represented by the Government, which has been duly elected by them through free and fair elections. The restoration of peace in the State is something that we are in constant communication with the elected Government. However, we are also prepared to talk to those unelected individuals or groups who shun violence and who are ready to contribute to the restoration of peace in the State. As to permitting the Hurriyat leaders to meet Pakistan officials, I don't think that we have inaugurated a new policy in this regard. As was pointed out by the hon. Member earlier in the debate, President Musharraf himself met Hurriyat leaders during his visit for the Agra Summit in July 2001.

Let me also assure Members that there is no third party presence in the India-Pakistan talks, nor is there any likelihood of this in the future. Our view is that the Government of India represents the wishes and aspirations of the people of India, which includes the people of Jammu and Kashmir. I hope this will set to rest any uncertainty or doubt in this regard.

Before I turn to other issues, let me also dispel the doubts that have been expressed about what our policy is with regard to the proposed gas pipeline from Iran via Pakistan to India. Our position has been clearly spelt out in the Joint Statement issued on September 24, 2004 after the meeting between our Prime Minister, Dr. Manmohan Singh and President Musharraf. The relevant paragraph says and I quote: "The possibility of a gas pipeline via Pakistan to India was also discussed. It was felt that such a project could contribute to the welfare and prosperity of the people of both countries and should be considered in the larger context of expanding trade and economic relations between India and Pakistan." Our Minister of Petroleum and Natural Gas has already held talks with the Iranian side and has invited his Pakistani counterpart to discuss this proposal in detail and we will, of course, take the House into confidence once these talks are held. As the Prime Minister said yesterday, we are looking at various options, with a view to securing energy supplies for our economic development. On the Munnabao - Khokrapar rail link, I had expressed our hope to ensure the

operation of the route from October 2, 2005. Actually, our Railway Minister had spoken to the Prime Minister of Pakistan when he was here. He said that as far as India was concerned we would be able to be ready by 2nd October, 2005, that is, on Gandhiji's birthday when the traffic would start. Now, our Pakistan friends are saying that from their side there is a metre gauge. Now, it makes no difference. Our passengers can get down, walk across and go by metre gauge. But if you say that metre gauge conversion into broad gauge will hold the process, we are quite willing to, in a spirit of friendship, good neighbourliness, help them. We will request them that we can do this jointly if they want. We have all the expertise, and we will give them. I intend proposing this to the Pakistani Foreign Minister when I meet him in Dhaka.

As would be apparent, the UPA Government has implemented its policy of maintaining frequent and regular contacts and wide-ranging discussions with all our neighbours, at all levels, in order to take forward and to maximise opportunities for mutually beneficial cooperation. The Prime Minister acknowledged that the agreement signed on the 6th January, 2004 between President Musharraf and former Prime Minister, Shri Atal Bihari Vajpayeeji, is an extremely important one and we want to carry this forward. We have no hesitation in acknowledging this at all.

While doing so, the Government has never hesitated to address the issues on which there may be differences, but base so in the spirit of friendship in a constructive search for practical and mutually acceptable solutions. It is in this spirit that we will go to the forthcoming SAARC Summit, which will be held in Dhaka in January next year. We remain committed to the collective future of peace and prosperity for the entire South Asian Region. In the past six months, there has been an accelerated momentum in our relations with China. The Prime Minister, Dr. Manmohan Singh, recently met his Chinese counterpart, Mr. Wen Jiabao, in Vientiane during the ASEAN Summit. The Chinese leader said that the most important item on his agenda in 2005 would be the visit to India. Four rounds of talks have already been held between the special representatives of the two countries on the boundary question. The importance attached to these relations was also reflected in the recent visit of two senior Chinese Councillors to India as also in my own meetings with the Chinese Foreign Minister on four occasions in Qingtao, Jakarta, New York and Almaty. During his visit to India, State Councillor Tang Jia Xuan, who was also one time Foreign

Minister, recognised the active role that Indian could play in international affairs and in the UN Security Council. Indo-US relations are special, precisely because we are both vibrant democracies. Our relations have expanded across the board. The Prime Minister Dr. Manmohan Singh met President Bush in New York in September, 2004, and both leaders reaffirmed Indo-US strategic partnership as also their mutual desire to take our relations forward, to widen them, to deepen them and to broaden them. It was the UPA Government which concluded the long pending first phase of the Next Steps in Strategic Partnership, known as NSSP, with the United States and has also taken forward the dialogue within the framework of the high-level Technology Cooperation Group. Sir, a reference was made to the NSSP and a question was asked whether we have surrendered before the US. This is not so. This is again an uninformed comment, if I may respectfully say so. We have concluded a document which sets our reciprocal obligations on both the countries. The agreement makes US Licensing policy and procedures both, transparent and predictable. End-use verification is a consultative process to be undertaken by mutual consent. This is an agreement between equals, it is reflective of the strategic partnership that the two countries wish to promote. It is the first in a series of steps to build mutual confidence and trust, leading to progressively higher levels of interaction in the high technology areas.

Mr. Vice-Chairman, Sir, the NSSP announcement of January 13, 2004, was based on the framework resulting from the discussions which took place with the United States on December 19, 2003.

Perhaps, Shri Sinha's memory may be failing because "the US origin items" were contemplated as a part of that arrangement.

As a result of negotiations we undertook in 2004, we have today a better and more efficient framework of cooperation, with the foundations laid by you. Under the high-level Technology Cooperation Group, the two sides will be pursuing closer cooperation in the areas of Information Technology, Bio-Technology, Defence and Nano technology. The Secretary of Defence, Donald Rumsfeld, was here recently and this gave us an opportunity for a high-level review of Indo-US relations and a discussion on how we could build upon the convergences in our relationship. It is true that our perspectives on certain specific issues are different but we do share a great and enduring affinity as people are wedded to democratic values.

We are ready to work together and share concerns. Sir, I would like to share with the House our deep concern over the reported supply of sophisticated arms to Pakistan.

Shri Yashwant Sinha : Would you yield for a minute?

Shri K. Natwar Singh : Oh; yes.

Shri Yashwant Sinha : Sir, I had raised a very specific issue about NSSP when I talked about end-use verification. And I had said that it was my understanding, and I will be quite willing to be contradicted by the hon. Minister. In fact, I am giving him an opportunity to contradict me that US origin items of dual use coming from third countries will not be subjected to end-use verification as US origin items coming directly from the US will. This is the specific question which I have raised. And, as I said I am willing to be contradicted by the Minister, but if an agreement has been concluded, and this is something which I said, this is not part of the agreement which had been reached in December, 2003. There was no agreement with regard to end-use verification. We had not reached any final conclusion, but if you have reached any final conclusion, then please clarify whether it will include US-origin items from third countries also.

Shri K. Natwar Singh : Sir, I don't intend to do so. I have no desire to contradict you. I think our objective is one and the same, and I will see what I can say in response to what you have raised.

I would like to share with the House our deep concern over the reported supply of sophisticated armaments to Pakistan by the US. We have communicated to the US that such a decision could impact adversely on the ongoing dialogue process between India and Pakistan, which the US itself has supported. It may also erode the goodwill and friendly feeling that exist for the United States in India, both as a sister democracy as well as a strategic partner. I do not think we could have put in more strongly. The views of the Government of India on the supply of sophisticated arms to Pakistan have been conveyed at the highest levels. Here again, I would request hon. Members to pay attention to what the spokesmen of the Government are saying on record, instead of drawing conclusion from comments ascribed to various anonymous sources. The authoritative view of the Government of India, as I have just spelt out, has been conveyed at the highest level to the US Administration, including by the Raksha Mantri

and myself recently to Mr. Donald Rumsfeld. The Prime Minister himself confirmed this to the House. Indeed, while there have been no contrary signals emanating from the UPA Government on US supply of weapons to Pakistan, two critical decisions in this regard were made on your watch as Foreign Minister. President Musharraf was promised a three billion dollar package, including a 1.5 million dollar in armaments, during a visit to Camp David on 24th June, 2003. Yet, the subsequent meeting with his US counterpart — when you had your meeting with your counterpart on 20th January, 2004 — do not reveal, as far as I know, that this issue was taken up. If it was taken up then you can make it clear and I will certainly accept what you say. But we were not in office then.

Shri Yashwant Sinha : Sir, as far as that issue is concerned, the details of what they are going to supply was made known only later. There were no details. They had agreed in Camp David for a three billion package, of which 1.5 billion was supposed to be for arms. But as far as the details are concerned, you know, as long as those arms which are meant for what the Americans claim it is, namely, for fighting terrorism in Pakistan, we could say okay; that India can live with. But if they include naval equipment, they include anti-tank equipment, they include F-16s, Orions, and all those, then it becomes difficult. Now, this list is of recent time. This was not there when I was the Foreign Minister, and that is why I am saying that when this list became known and, particularly, worrisome is the supply of F-16s. That is where we had to protest.

Shri K. Natwar Singh : Sir, I think we are in the same wavelength. The fact of the matter is when this was announced in 2003, the three billion dollar package, including 1.5 million dollar for armaments, the obvious conclusion was that this kind of amount can't be used for weapons against terrorists.

They were to be legal weapons which would be used against us. You know as well as I do, and the list is neither here nor there. The other day, Shri Pranab Mukherjee said very bluntly to the Press that they are not used against terrorists, the kind of weapons which they are using. We had three wars with Pakistan, and they were used against us. Another point that was raised was that Pakistan was made a major non-NATO Ally status on 18th March, 2004. I don't know whether Mr. Collin Powel informed you that he was going to Islamabad next day and he was going to do so.

Shri Yashwant Sinha : There will be records, I am sure Mr. Minister, of a

conversation between Mr. Powel and me which you can, I am sure, see whenever you like, and that will clarify the whole situation. ..*(Interruptions)*

Shri K. Natwar Singh : I think, this is a happy situation that we should welcome. ..(Interruptions) .. I tell you one thing. I did tell Mr. Powel when I met him that you are taking us by surprise; you could have taken us into confidence. ..(Interruptions) .. Strobe Talbot…

Now, I turn to President Putin. President Putin's visit to India has demonstrated that our time-tested and strategic relationship with Russia remains constant in the changing global and regional environment. Cooperation in Space and Energy has further strengthened the strategic nature of our relations. The signing of four Agreements and six MoUs during the visit indicates the depth of our relations and the transition from a declaratory phase to one in which we are taking concrete steps to implement our professed intentions. Against this background, it is odd that we have heard comments which suggest that there is some kind of a setback to Indo-Russian relations. I must also mention here that the on-going annual trilateral meetings among the Foreign Ministers of India, Russia and China have now acquired greater substance. At our meeting in Almaty on October 21st this year, we decided to explore trilateral economic cooperation including in third countries. India has offered to host the first business conference among the three countries early next year. There is no change in Russia's commitment to honour all its obligations with regard to the on-going cooperation in the setting up of two power reactors at Koodankulam. As pointed out by the Prime Minister, with respect to additional fuel supplies, discussions are continuing. Surprisingly, not much was said during the debate on our growing relations with the European Union. The declaration of Strategic Partnership between India and the EU during Prime Minister's visit to The Hague in November 2004 is yet another recognition of the growing perception of India as an indispensable partner by the international community. It adds substance to our already wide-ranging relationship with the EU and will now provide the impetus for a Political Declaration and an Action Plan which will be completed at the next Indo-EU Summit in New Delhi. I would like to remind Members that the EU is now an association of 25 European democracies with a population of over 450 million people. As hon. Members are aware, India's "Look East Policy" was conceived and initiated by the Congress Government. The UPA Government has given a new dimension to this as we promote relations with ASEAN countries both

within the BIMSTEC and the Indo-ASEAN Summit dialogue. We see our relationship linked with our economic and security interests, particularly for our East and North-East The first India-ASEAN Car Rally, which was first suggested by Shri Vajpayee in Bali last year, was flagged off by the Prime Minister, Dr. Manmohan Singh, from Guwahati. Thirty thousand people were present that day in the Guwahati Stadium. That had not happened for decades. The document on Indo-ASEAN partnership of peace, progress and prosperity adopted with the India-ASEAN Summit on November 30, 2004, signifies that India now forms inner core of countries in ASEAN's relationship with the rest of the world.

Now, Sir, I come to West Asia. The linkages and interests, that we have with West Asia and the Gulf, provide the basis for intensification of our relations with all key countries in the region as well as the Gulf Co-operation Council, with which we have signed a Framework Agreement for Economic Co-operation. I will be visiting some of the Gulf countries later this month and also intend to meet all our Ambassadors in that part of the world to emphasise the promotion of our interests in this region where more than 3.5 million of our citizens live, prosper and work. We have established a 24-hour Help-line Centre in Saudi Arabia for our citizens. We intend to extend this to other capitals also. All our Missions and Posts in the Gulf have, for the last several months, been observing an 'Open House' once a month to enable our nationals to meet senior officials without appointment to seek any assistance they require. The UPA Government has taken a decision to restore the Haj subsidy, which had been reduced by the previous Government. Flights for the Haj pilgrimage have already begun. More than 1,25,000 of our nationals are likely to perform the next Haj. This is the largest in recent times.

Friendship with the Palestinian people and our support for their cause is cardinal element of our foreign policy. I led a multi-party delegation to Cairo to pay homage to the memory of the late Palestinian leader, Mr. Yasir Arafat. Earlier, in September, my colleague, Minister of State for External Affairs, Shri E. Ahammed, had visited Ramallah with a goodwill message from our Prime Minister reiterating our unwavering support to Palestine. Let me state categorically that our friendly relations and co-operation with Israel do not at all detract from, or dilute, our support for the Palestinian people and we have never hesitated to declare our support in international fora.

Sir, our policy of not sending troops to Iraq, as endorsed by the Parliament in May, 2003, remains the guiding principle. At the same time, we have maintained our engagement with the friendly people of Iraq. Our support for the forthcoming election process in Iraq and humanitarian and reconstruction aid underscores our desire for restoration of political stability in Iraq, but the situation in Iraq is both, alarming and disturbing. One of the hon. Members asked whether we were doing anything in order to support reconstruction of Iraq. I wish to inform the House, Sir, that we have provided assistance worth $ 20 million bilaterally and another $ 10 million through the Trust Funds of the World Bank and the UNDP. We are also involved in training of Iraqi engineers and diplomats; both together add up to about 125 seats per year. We have also offered to train Iraqi electoral officers in India and have invited the Election Commission of Iraq to send a delegation to visit India. No Indian personnel is going either to Jordan or to Iraq. Once the security situation improves, we have agreed to resume some of our ongoing humanitarian projects including the setting up of a hospital in Najaf.

Now, Sir, a few words about Africa. In the last few months, there has been an exchange of high level visits from Africa as part of the 'Focus Africa Policy' of the UPA Government. Greater economic and technical co-operation, both bilateral as well as within the context of the African Union and India's contributions to peace-keeping Missions in several African countries, all reflect this desire. The announcement by our President, while visiting South Africa in September 2004, of an ambitious project for linking all 53 African countries through a satellite as well as a fibre optic based network, is reflective of our resolve to contribute to African development.

Central Asia is part of our extended neighbourhood. Besides the longstanding historical and cultural linkages, we also see Central Asia as an important economic partner as pointed out by Dr. Karan Singh, particularly in terms of our energy requirements.

We are, therefore, moving quickly to intensify our relations with the countries of the region through high level visits and increased economic and commercial interactions.

Intensified relations with Latin America and the Caribbean are reflected in the Ministerial visits of Foreign Ministers of Mexico, Venezuela, Surinam, and, the visit of Minister of State for External Affairs, Shri Rao Inderjit Singh to Panama, Columbia, Dominican Republic and El Salvador.

Early during the next year, we hope to host the President of Chile; and, the Vice President of Surinam would be coming as the Chief Guest for the Pravasi Bharatiya Diwas next month, reflecting the linkages that India has with the region. Our collaboration with Brazil on the Security Council reform, and, in the WTO reflects the growth in our commonalities with this Latin American giant. These initiatives taken by the UPA Government should allay the apprehensions expressed by some members that we are neglecting the Latin American and Caribbean regions; we are not.

Let me now turn to the United Nations. The efforts of the UPA Government have ensured that India's claim today to be a permanent member of the Security Council within the context of overall reform of the UN has been well established within the international community. Intensive diplomacy on our part has resulted in the creation of a common platform of the four most credible aspirants for permanent membership of the Security Council. India, Brazil, Germany and Japan who are mutually supportive of each other, have agreed to work together to realize their shared objective. We also support African representation in the permanent membership in an expanded Security Council, if and when it takes place.

Recently, the panel appointed by the UN Secretary General on "Threats, Challenges and Change" has submitted a number of recommendations on institutional changes in the UN, including the composition of the UN Security Council. We are studying them, and, in consultation with other Member States, we will decide how to take the process of reform forward during the next year; next year being the 60th anniversary of the founding of the United Nations. It was hoped that the reforms and restructuring could take place in 1995 at the 50th anniversary, but it didn't happen.

Before I conclude, I would now like to say a few words on some of the doubts and misgivings expressed in the House on our claim for a permanent seat in the UN Security Council. The Prime Minister himself stated yesterday and I quote:

"There is no confusion regarding our position on our candidature for a Permanent Seat in the Security Council. At this point, all Permanent Members have veto powers. We are a candidate. The issue may arise in respect of any new Permanent Members who may be admitted. Our fundamental position remains clear. We do not believe that there should be

any discrimination in the Security Council and there should be no distinction between Permanent Members who have veto and those who don't. This position is based on the broadest possible political consensus."

We intend to press home this position vigorously in the days to come.

Doubts were raised as to whether under the UPA Government India-Russia relations have received some kind of a setback, and, I am saying this in the context of what happened during President Putin's visit. President Putin's remarks, at a joint press conference with our Prime Minister, were unfortunately misinterpreted by some journalists who thought he was implying that new permanent members to the Security Council would not enjoy veto status. This was set right by President Putin himself in very categorical terms the very next day, and, I happened to be there when he made this observation to the Press. When I said, "Thank you, Mr. President", and, he said, "No, it was very necessary for me because I thought I had made myself clear on the first day". Obviously, there was something wrong in the translation.

Here again, we should avoid the propensity to swallow what the foreign policy experts, hidden and not so hidden, pronounced on such important matters. These important matters are handled by the Prime Minister and the Cabinet Committee on Security, of which you had been a distinguished member. Some Members spoke about non-alignment — I will not take very long — whether it remained relevant in our times. In our Congress Party manifesto, we pledged that we would give the policy of non-alignment a new direction keeping in view political and economic changes that are taking place in our region. And, with your permission, Sir, I would like to quote a very distinguished European Statesman, Richard Weizsacker, President of Germany for ten years. In his Nehru Memorial Lecture this is what he said. And Germany was not a non-aligned country. "Nehru was among the first and the foremost to look for a non-bloc internationalism. His idea of non-alignment became a global importance. He spoke about peace clubs against cold-war clubs, nuclear clubs. He was pondering how to create a sort of no-war land between the military blocs. From the outset, his thoughts became and remained fruitful. Non-alignment was aiming at more than distance to blocs. It was a denial of the gist of bloc-thinking, an endeavour to detect inside those blocs growing trends of openness, of looking for common interests, of conditions how to survive together, of *detente* policy

recommended and practised by leaders like Willy Brandt, of arms control and arms reduction proposals, such as Pugwash Conference ideas which served later at initiatives for the SALT Agreement and the like. Nehru's non-aligned policy is not a means to prevent cooperation. It is, on the contrary, an invitation never to give up the search for new ways leading to peaceful co-existence, *detente* and reconciliation.

Sir, obviously, the international agenda has changed. So, naturally, the agenda of the Non-Aligned Movement has changed. But, let us not mix up the Non-Aligned Movement with non-alignment. Non-alignment is good for ever. The Non-Aligned Movement has to address itself to the problems like terrorism, drugs, HIV AIDS, financial crises, population control, and environment and, here, the Non-Aligned Movement needs diplomatic blood transfusion, and we intend to give it as much as we can, within our limitations. There are so many other members. The original members, Indonesia, Yugoslavia, Egypt, are not so active in the Non-Aligned Movement. But I think the Non-Aligned Movement remains relevant for the rest as non-alignment.

In the last seven months, the UPA Government has redeemed that pledge and given us a foreign policy which is purposeful, result-oriented and pro-active. While it has been the endeavour of this Government to follow the basic principles of our foreign policy which have guided India since its independence, we have re-oriented and readjusted it wherever necessary in response to the new challenges that we confront today. It is a matter of satisfaction that today India enjoys a unique profile in the international arena as a factor for stability, a model for plural and secular democracy and an economic powerhouse that is destined to play a greater role in international affairs. We acknowledge that many difficult challenges lie ahead and our resources are limited, but we face the future with both confidence and optimism.

I just want to say briefly in reply to what Shri Yashwant Sinha said.? Under the NSSP, the US-origin items, whether directly supplied to us from US or from any other source will always be the basis of negotiations.? It would not have been tenable to exclude US-origin goods or technology merely because they were obtained from non-US sources.? We ourselves would not accept such a distinction with respect to Indian-made technology or sensitive goods such as our software.

Sir, in conclusion, I just want to say that some references were made to what I said in Korea *(Reciting a couplet the Minister said)*. There have been broad national consensus on our Foreign Policy. Let me conclude this, as I must. This broad national consensus we have had since the time of Pandit Jawaharlal Nehru, and, any Government that comes into office, of whatever colour, cannot depart from the broad outlines of India's Foreign Policy. Non-Congress Governments, as there have been several of them, have not attempted to change the broad framework laid down by Jawaharlal Nehru. Of course, details have to be filled in; circumstances change and situations change; but the broad framework that he had set, has been upheld even by non-Congress Governments at the Centre. This is because India's Foreign Policy is not dedicated to a dogma; it is dedicated to a purpose and the purpose is to make this world peaceful, tranquil, harmonious and friendly. Thank you.

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INDIA'S FOREIGN RELATIONS - 2004

Section - II
Reforms of the United Nations
and
India's Claim to Membership
of the Security Council

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REFORMS OF THE U.N.

068. Statement by Deputy Permanent Representative at the United Nations A. Gopinathan on the "Veto" at the open-ended Working Group on Security Council Reforms.

New York, April 19, 2004.

Please see Document No. 393.

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069. Address by Home Minister Shivraj Patil on the International Conference on "UN and the New Threat: Rethinking Security: Socio - Economic Challenges, Terrorism and Restructuring International Organization".

New Delhi, July 1, 2004.

Please see Document No. 22.

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070. Agreed position adopted by India and Germany on the Reforms of the United Nations during the visit of the German Foreign Minister Joschka Fischer to New Delhi.

New Delhi, July 14, 2004.

Please see Document No. 346.

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071. Joint Press Statement issued by India, Brazil, Japan and Germany on the need for UN Reforms.

New York, September 21, 2004.

1. In order for the international community to effectively address the various threats and challenges that it presently faces, it is important to reform the United Nations as a whole.

2. The General Assembly must be revitalized, as it represents the general will of all Member States. We must also enhance the efficiency of the UN agencies and organs in the social and economic fields in order to effectively address urgent challenges.

3. The Security Council must reflect the realities of the international community in the 21st century. It must be representative, legitimate and effective. It is essential that the Security Council include, on a permanent basis, countries that have the will and capacity to take on major responsibilities with regard to the maintenance of international peace and security. There also has been a nearly four-fold increase in the membership of the United Nations since its inception in 1945, including a sharp increase in the number of developing countries. The Security Council, therefore, must be expanded in both the permanent and non-permanent categories, including developing and developed countries as new permanent members.

4. Brazil, Germany, India and Japan, based on the firmly shared recognition that they are legitimate candidates for permanent membership in an expanded Security Council, support each other's candidature. Africa must be represented in the permanent membership in the Security Council. We will work together towards realizing a meaningful reform of the United Nations, including that of the Security Council, together with other Member States.

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072. Address by Prime Minister Dr. Manmohan Singh at the UN General Assembly.

New York, September 23, 2004.

Please see Document No. 411.

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073. Statement by Member of the Indian Delegation to the United Nations Anand Sharma MP on the Agenda Item 52: "Revitalisation of the work of the General Assembly" and Agenda Item 4: "Strengthening the United Nations System" at the General Assembly.

New York, October 4, 2004.

Please see Document No. 412

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074. Statement by Member of the Indian Delegation to the United Nations R. Shunmugasundram MP on Agenda Item 147: Report of the Special Committee on the Character of the United Nations and on the strengthening of the Role of the Organisation at the 6th Committee.

New York, October 7, 2004.

Please see Document No. 418.

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075. Statement by Minister of State E. Ahamed on Agenda Item 53: Question of Equitable Representation on and Increase in Membership of the Security Council and the related matters at the General Assembly.

New York, October 11, 2004.

Please see Document No. 419.

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076. Statement to the Press by Brazil, Germany, India and Japan: Initial reaction to the Report of the High-level Panel on Threats, Challenges and Change

New Delhi, December 1, 2004.

Brazil, Germany, India and Japan welcome the Report of the High-level Panel and thank the SG as well as the Panel for having created new momentum in the debate about reforms needed to face tomorrow's interconnected threats. The timing of the SG in initiating the needed broad based debate is highly commendable, as the threats lying ahead are unparalleled in kind and scope.

We support the call for a comprehensive approach. The interconnection of threats to international peace and security is more evident than ever before. In particular, we agree with the Panel's view that development and security are closely linked.

An effective multilateral system is essential to cope with the challenges of today's world. No individual state can protect itself from global threats, let alone find sustainable solutions. Therefore a common understanding is needed on the future of collective security and the necessary institutional reforms.

Having this in mind, we will actively participate in the efforts towards more effective policies and in adapting the UN System to the realities of today's world.

In order to comment on the proposals in detail, we will first have to consider the report thoroughly. For the time being, we will therefore restrict ourselves to some preliminary observations:

We believe the Panel has put the focus on the right issues: economic and social threats, including poverty and infectious disease and environmental degradation, inter-state conflict, internal conflict, including civil war, genocide and other large scale atrocities, nuclear, radiological, chemical and biological weapons, terrorism as well as transnational organized crime. We also share the importance attributed to institutional reform as an essential tool to address many of these issues.

Developmental issues are closely linked to global security. Perceptions of injustice due to extreme poverty and lack of opportunity to improve living conditions often provide fertile breeding grounds for terrorism, civil unrest, intra state and inter state conflict. We should therefore make joint efforts – both developed and developing countries - to effectively promote development.

The issue of legality and legitimacy of the use of force has, for good reason, attracted great attention for a number of years. We will carefully consider the criteria developed by the Panel in this regard.

Institutional reforms are essential if the UN is to perform in a way that will generate the needed trust and support among the membership. This applies to several bodies, most importantly to the Security Council.

The expansion of both categories of Security Council membership, permanent and non-permanent, and the inclusion of developing countries in both, will remedy today's structural shortcomings. This figures, inter alia, in the High-level Panel report and will enable the Security Council to reflect today's realities.

The international community needs to embrace this opportunity wholeheartedly to bring about the needed change. It is a historic moment, "a fork in the road" as the SG said when he announced setting up the Panel.

Many of the issues have been discussed for long years: Possible solutions, options, interests, setbacks and advantages are well known.

We therefore believe in acting, with the required attention and without

artificial acceleration, or delays. The time between now and the September Summit should be fully used so as not to lose the current momentum.

This requires a result-oriented organization of the work: all major clusters of issues should be discussed in parallel. Achievable results must be secured, if need be voted. No issue should be made hostage to others. Only by consolidating a maximum of results prior to the September Summit will we make of this event the major success we are looking for.

We therefore welcome President Ping's intention to start work in the General Assembly soon and to nominate a Group of Friends at the earliest that will support him in organizing this highly complex endeavour.

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077. Question in the Rajya Sabha on "Prime Minister's America Visit".

New Delhi, December 2, 2004.

Please see Document No. 63.

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078. Question in the Rajya Sabha: "Permanent Seat in Security Council".

New Delhi, December 2, 2004.

Will the Minister of External Affairs be pleased to state:

(a) whether the assembly of United Nations has any programme for increasing the number of permanent members of Security Council of United Nations in the near future;

(b) if so, the details thereof;

(c) the efforts made so far by Government for India's claim in this regard and whether these efforts are adequate; and

(d) if not, the steps Government are going to take in this regard at international level?

The Minister of State in the Ministry of External Affairs (Shri E. Ahamed)

(a)-(b) The issue of the reform and the restructuring of the UN Security Council has been under discussion at the United Nations for several years. While there is no specific proposal under the UN General Assembly for the expansion of the UN Security Council, an Open Ended Working Group (OEWG) was set up in 1993, where discussions have taken place on all aspects of the reform and restructuring of the UN Security Council. The Working Group, however, has not been able to reach any decisions in this regard.

(c)–(d) India believes that the reform and restructuring exercise is important and that by any objective criteria, India's case is credible and strong. There is growing momentum in support of India's candidature for permanent membership. The Government has been pursuing India's candidature for permanent membership of the Security Council, and has taken up India's case in all its high-level bilateral interactions. Several countries – permanent members as well as others – have openly expressed support for India's candidature either in the UN or in the context of bilateral exchanges. Such support is exercised in different forums and forms and it is, therefore, difficult to give a definitive number on countries which have specifically supported India or anticipate any specific time frame for reform

or expansion of the UNSC, in view of the diverse perceptions on the specifics of such reforms.

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079. Question in the Rajya Sabha: "Japan's Support to Get Permanent Seat in Security Council".

New Delhi, December 2, 2004.

Will the Minister of External Affairs be pleased to state:

(a) whether it is a fact that beside a number of other matters, the Foreign Ministers of India and Japan have agreed to provide help to each other for acquiring permanent membership of United Nations Security Council during the discussions held on 12th August, 2004 between both the countries; and

(b) if so, the names of developing and developed countries which have, in addition to Japan supported India on the said issue during the annual meeting of General Assembly of United Nations in 2004?

The Minister of State in the Ministry of External Affairs (Shri E. Ahamed)

(a) Yes. During the visit of Japanese Foreign Minister, Ms. Yoriko Kawaguchi, to India on August 12, 2004, India and Japan agreed that they "based on the firmly-shared recognition that both countries are legitimate candidates for the permanent membership of the Security Council in the light of the current realities of the international community, will support each other's candidature, and make utmost efforts and closely work together towards realising the reform of the Security Council."

(b) A large number of leaders from various countries in their speeches both at the UN General Assembly as well as during the discussions in the relevant committee on the subject, referred to the necessity of UN institutional reforms, the expansion of the Security Council, the inclusion of new permanent members and India's credentials in this regard. Since such support is expressed in different forms, it is difficult

to give a definitive number on countries which have specifically supported India.

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080. Statement by Official Spokesperson on the Report of the High-Level Panel on "Threats, Challenges and Change."

New Delhi, December 3, 2004.

We have seen the report of the Panel established by the UNSG. (Often referred to as the UNSG's panel on 'Threats, Challenges and Change'). The report has a fairly detailed examination and analysis of some of the contemporary problems and challenges confronting the international community and how to respond to them collectively under the U.N. In the weeks to come, the report and the recommendations of the Panel will be examined in capitals, including by us.

India acknowledges that many of the challenges facing the world today are global in character and requires a collective response. This was an underlying theme in Prime Minister's address to the UNGA earlier this year. We believe in the validity and the utility of the multilateral system. The U.N. is at the center of such a system.

The Panel has a number of recommendations on institutional changes. We will study them. The necessity and the urgency of U.N. reforms, including that of the U.N. Security Council, is widely accepted. The Panel has supported the idea of the UNSC expansion but has stopped short of a definitive recommendation on new permanent members. It is now for the member-states of the U.N. to take this idea forward in the coming year.

There are other recommendations on a host of issues - legitimate use of force, terrorism, peacekeeping, peace building, WMD proliferation, human rights, among others. All these will be subject to detailed scrutiny and discussions. India will continue to take an active and constructive part in these discussions at the U.N. and elsewhere.

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081. A Summary of the remarks by Permanent Representative at the United Nations Nirupam Sen, on Informal Consultations of the Plenary on the Report of the High Level Panel.

New York, December 9, 2004.

Please see Document No. 452.

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INDIA'S FOREIGN RELATIONS - 2004

Section - III
Pravasi Bharatiya Divas

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082. Speech by Prime Minister Atal Behari Vajpayee at the second Pravasi Bharatiya Divas.

New Delhi, January 9, 2004.

I am delighted to be with all of you once again at this inaugural function of the 2nd Pravasi Bharatiya Divas. I still carry the memory and melody of that occasion, exactly a year ago, when we were left enchanted by the jugalbandi of Ustad Bismillah Khan's shehnai and Pandit Ravi Shankar's sitar. What they together created was both soul-stirring music and a pointed metaphor. It reminded us that Pravasi Bharatiya Divas itself is a celebration of the jugalbandi between the 22-million strong Indian Diaspora and your motherland, between the Bharatvasis and the Bharatvanshis.

Together we constitute the Global Indian Family. Together, we are announcing the arrival on the world stage of a Shining India, an India that has resolved to regain her past glory and indeed surpass it, an India that will both be an economic powerhouse and a major contributor to humanity's all-sided evolution to a higher level.

I extend a warm welcome to President Bharrat Jagdeo of Guyana. He is an outstanding example of the new generation of Bharatvanshis. I thank him for having so readily agreed to be the Chief Guest at this Second Pravasi Bharatiya Divas.

I heartily congratulate all those who have been honoured with this year's Pravasi Bharatiya Samman Award. This year we have conferred the Award, posthumously, on Kalpana Chawla. She epitomized the values that are so laudable in overseas Indians. A daughter of India, she became an exemplary citizen of the US and went on to become a Citizen of the Universe. Her journey from Karnal to the Cosmos will continue to inspire young Indians -indeed, young people all over the world. I am especially happy that her husband is amongst us to receive the Award.

In honouring the 12 individuals with the Pravasi Bharatiya Divas Samman, we do honour the entire Indian Diaspora. Your varied successes and accomplishments fill every Indian with joy and pride.

For example, who would have thought that the average income of an Indian American would be 50 per cent higher than the national average in

USA, especially since most of the Indian immigrants who went there in the '60s and the '70s had less than 10 dollars in their pocket?

Also, who would have thought that nearly half of the Rs. 55,000 crore remittances from NRIs so far would come from our nearly 25 lakh emigrant brothers and sisters from one single Indian State, Kerala? Today almost the entire services sector in the Gulf, which is one of the world's richest regions, is handled by Indian technicians, nurses, teachers and scores of other professionals.

India's achievements in information technology have attracted the attention of the entire world. And these include the achievements of both Indians in India and Indians overseas. Not a week passes without some news item or some comment in western countries about India having emerged as the preferred place for IT-enabled services. Sometimes this is also projected as a loss of jobs to India. However, these fears are misplaced. In today's highly competitive global markets, it is natural for companies and organizations to use technology and internationally available human resources in ways that enhance their efficiency. What India's trained manpower is offering through IT-enabled services is a win-win situation for-both India and the sourcing countries.

All these achievements have been possible because of the hard work, competence, integrity, and unwavering loyalty to your host country that are the common attributes of the Indian Diaspora in all parts of the world. These attributes, and the successes that they have bred, have no doubt raised the stature of the Indian community in your respective countries. But, collectively, they have also brightened India's image in the world.

Friends, as we take delight in the growing successes of the Indian Diaspora, it is instructive not to forget the pain and sufferings that early Pravasi Bharatiyas had to go through. In many countries, such as Mauritius, South Africa, Caribbean Islands and Fiji, our forefathers were taken as indentured labourers. The injustice meted out to them remains a dark chapter in India's history. At the same time, their determined struggle against adversity is a source of inspiration for all of us. If our forefathers were the victims of want and exploitation, our children and grandchildren will be the trailblazers of prosperity and a new era in human development marked by justice and universal brotherhood.

Friends, we have assembled here after the passage of one year. During this period, India's development has gained further momentum. In 2003, we were already one of the fastest growing economies in the world. In 2004, we have got closer to our target of 8 per cent GDP growth rate. Last month, our forex reserves crossed $ 100 billion; We are prepaying our external loans. From an aid-seeking country, India is now emerging as an aid-giving country.

There was a time, not long ago, when many people in India bemoaned the phenomenon of "Brain Drain". Today a large number of highly qualified and successful Indian professionals are returning to India because they see that India itself has now become a land of opportunity and achievement. Foreign companies and businesses now look at India as an important emerging market and are keen to invest here. At the same time, there has also been a reverse phenomenon. The year 2003 has seen many Indian corporates emerging as global players with impressive investments overseas and acquisitions of companies abroad.

To further reinforce this process, I am happy to announce that Indian corporates will hereafter be freely permitted to make overseas investments up to 100 per cent of their net worth, whether through an overseas joint venture or a wholly owned subsidiary. The current restrictions including a ceiling of US $ 100 million are hereby being lifted.

Similarly, we have decided to permit -indeed, encourage -Indian corporates to go global in the agriculture sector. Accordingly, the existing restrictions on Indian corporates to undertake agricultural activities abroad, whether directly or through an overseas branch, will be removed. This will enable Indian companies to take advantage of global opportunities and also to acquire technological and other skills for adoption in India.

Sisters and Brothers, as you are aware, positive winds are blowing in India's external environment. I have just returned from a landmark summit meeting of SAARC countries in Islamabad. The conclusion of a South Asian Free Trade Agreement will herald a new era of trade and economic cooperation in this region.

These, coupled with our achievements in the economic field, have palpably elevated India's standing in the world community. They have also opened up exciting new possibilities and opportunities -both for Bharatiyas

and Pravasi Bharatiyas. I invite all of you to avail these rapidly expanding opportunities and possibilities.

I assure you that, in the years to come, India will surprise the world even more by taking longer and bolder strides ahead. Of course, we are well aware of the many daunting challenges that lie ahead of us. In particular, we want to eradicate poverty faster. We recognize it as our moral and Constitutional duty. At the same time, it is also a precondition to reaching our goal of making India an all-sidedly Developed Nation by 2020. In this endeavour, we seek your ideas, your suggestions and your participation. Above all, we seek your best wishes.

In the year that has passed by, my Government has worked with steadfast attention to implementing the promises made at the first Pravasi Bharatiya conference. We have recently enacted the Citizenship Amendment Bill, which provides overseas Indians in 16 countries the possibility of applying for dual citizenship. I would like to clarify that these 16 countries were chosen because their legal systems were compatible with the concept of dual citizenship and there is a strong representation of people of Indian origin in these nations.

We have always been concerned with the welfare of those Indian workers who travel to distant shores in search of higher remuneration. In fulfillment of the promise I made last year at this very forum, a compulsory insurance scheme, called the Pravasi Bharatiya Bima Yojana, for Indian workers migrating to the Gulf region and South East Asia has been introduced since 25th December 2003.

The education of our children is a matter of great concern to any Indian parent. I am happy to inform that Indian workers in the Gulf and South East Asia who have had to leave their children behind in India would now enjoy the facility of one-third reservation out of the 15% supernumerary seats across different disciplines in educational institutions. Further, children of NRIs in the Gulf would not be required to pay NRI fees. They would be treated at par with resident citizens.

Today I am pleased to make an announcement which addresses yet another important recommendation of the high-powered committee headed by Dr. L.M. Singhvi. I have heard many of you say that there should be a permanent centre to deal with the multifarious needs of the diasporic community. Accordingly, the Government has decided to set up a Pravasi

Bharatiya Kendra in New Delhi, for which we will provide a suitable plot of land and a seed grant of Rs. 25 crore. The responsibility of running it will be entrusted to an autonomous body, which will also raise additional resources from members of the Diaspora.

The Government has also decided to install commemorative plaques at ports and places from where significant number of Indians left for foreign lands.

I am happy to note that youth is one of the main themes of the Pravasi Bharatiya conference this year. We have great faith in the abilities of young people of Indian origin all over the world. At the same time, we feel as strongly as all of you that it is essential that they be exposed to the land of their forefathers in order for them to see, understand and comprehend their Indianness. We have therefore decided that each year a group of 50 second or third generation Indian youth from different countries will be invited to visit India for 2 weeks. They would participate in the Pravasi Bharatiya Divas function and also visit 2-3 other States in India.

My dear friends, you have come to Delhi when the winter has been particularly cold. But as far as India's performance and prospects are concerned, you can see that it is springtime everywhere. The whole world is looking at India with admiration and hope. As the largest democracy rapidly achieving all-round development. As the cradle of civilization becoming a laboratory of unity in diversity to a shrinking world. Whenever I have interacted with members of the Diaspora during my travels abroad, I have heard them say that there never was a better time to be an Indian and never a better time to be in India.

You are our ambassadors in the countries you have chosen to make home. Given your links with India and your stature in your home countries, you are in an unique position to explain what India is, and what India can be, to the audiences in your countries. I therefore urge each and every one of you to take on this role of an earnest ambassador.

With these words I open the 2nd Pravasi Bharatiya Divas conference and with it every success.

Thank you

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083. Speech by External Affairs Minister Yashwant Sinha at the second Pravasi Bharatiya Divas

New Delhi, January 9, 2004

Friends, Last year, we met in a celebration of our 'first coming together'. Today, we gather once again, in a mood of optimism when a great wave of enthusiasm is sweeping across India. 2003 has been a remarkable year in many ways for India.

Whether it be in the field of foreign policy or the economy, India has taken significant strides.

Our Prime Minister has just returned from a historic Summit in Islamabad. SAARC has entered a new phase at this Summit. A South Asian Free Trade Agreement has been signed. It has also been decided to initiate studies on the feasibility of a common currency for our region and on how the goal of a South Asian Economic Union can be advanced from the year 2020 to 2015.

India - Pakistan relations show new signs of promise with a categorical assurance from Pakistan that it will not permit any territory under its control to be used by terrorists. We have also agreed to start the dialogue process.

Friends, the SAARC Summit marked the climax of a year full of significant diplomatic achievements. We, successfully, consolidated and strengthened our relations with all major powers, including the United States, the European Union, Russia, and China; yet another country with whom a successful visit by our Prime Minister resulted in many major breakthroughs, including on the long standing boundary issue. As part of our emphasis on the immediate neighbourhood, we took relations with SAARC countries, Afghanistan, Myanmar, the ASEAN, Central Asia and the Gulf to an all time high. We have entered into and are negotiating a slew of free trade and comprehensive partnership agreements designed to expand India's economic footprint in the world. We have given new impetus to India's connectivity through the announcement of Open Sky policies and through ambitious infrastructure projects that will link India with South East Asia, West Asia and Central Asia. Reflecting India's continued commitment to the developing world, we have re-invigorated South - South cooperation through a new initiative bringing India, Brazil and South Africa together as

a joint force in international politics.

Ladies and gentlemen, on the economic front, India has achieved a growth rate of 8.4% in the second quarter of this fiscal year. Our coffers are bursting with over USD 100 billion of foreign exchange reserves. There are abundant food stocks in our granaries. Inflation is under check. Trade is booming. Following the lead of the Services sector, India's manufactured goods are penetrating the leading markets of the world. Appreciation for the quality of India's human resources continues to grow. Business and industrial sectors are brimming with confidence. It is true that we still have a long way to go. Benefits of economic growth have to percolate down to the lowest rungs of society. The 'feel good' factor has to reach each and every corner of our country.

But, slowly but steadily, 'Brand India' is making its presence felt. Instead of being associated with poverty, social turmoil and backwardness, India is today perceived as an emerging power, a highly successful democracy, an economy destined to become the third largest in the world by 2050, a centre of science and technology and a land that can boast of people known for their talent, intelligence, hard work and extra-ordinary creativity. Yoga and the art of living, computer geeks and IITs, fashion and food, Bollywood and Bangalore - these are the symbols and images of the new India.

Friends, the innumerable achievements made by overseas Indians, individually and collectively, over the last year have also done India proud. They have added a special glitter to the 'feel good' factor. Through the Pravasi Samman Awards, some of you are being publicly recognized today. Many others continue with their selfless service to society, to their countries of adoption and to India. Bound to India by a magical umbilical chord of history, culture, tradition, social and economic ties, there are probably none who exult more in the success of India than the countless members of her NRI and PIO family. It is you who have helped us take the new India to the world. It is you, through your individual and collective achievements in your countries of adoption, who have inspired us to strive harder and to be bold and adventurous in the quest for a better life.

The Pravasi Bharatiya Divas is a time for us to reaffirm our faith in each other and to infuse our relationship with full strength and energy. This is the time when we meet to jointly chart out a vision for the future. We, in

India, thank you for all the love and affection you have showered on us. We stand ready to work with you in addressing the concerns of NRIs and PIOs across the world; in assisting you serve your countries and societies of adoption better and in harnessing your talents and your experience to the task of bringing a new dawn into the lives of the one billion plus people of our country. Friends, with pride in our achievements, confidence of the future and realism regarding the tasks that lie ahead, let us together march forward on the path of our collective destiny.

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INDIA'S FOREIGN RELATIONS - 2004

Section - IV
Asian Tsunami

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O84. Media briefing by Official Spokesperson on US proposal to form a Coordinating Group for relief efforts in the wake of Tsunami and Indian help for Tsunami affected countries.

New Delhi, December 30, 2004.

(In view of the fact Tsunami is, hopefully, a one-time affair, the developments in the next few days have been added, as footnote to this document, even if they spill into the year 2005.)

Official Spokesperson: …

President George Bush and US Secretary of State, Colin Powell had spoken to Prime Minister, Dr. Manmohan Singh and EAM, Shri K. Natwar Singh yesterday on the proposal to form a coordinating group of India, Australia, Japan and the United States based on the capabilities and resources that these countries have to effect relief in areas that have been worst affected by the Tsunami disaster. It was conveyed that India would be prepared to join in this humanitarian effort. Following these conversations, a teleconference was held this morning between US Under Secretary of State Marc Grossman, Australian Permanent Secretary, Douglas Chester, Director General of the Japanese Economic Cooperation Bureau, SATO and Foreign Secretary, Shri Shyam Saran. This conference was initiated by Mr. Grossman in order to coordinate relief and rescue efforts and welcomed by the others.

The main purpose of the coordination effort is to avoid duplication of efforts, identify gaps in the relief process and find ways and means to address these deficiencies. A videoconference will be held tomorrow between the Washington-based Ambassadors of India, Australia and Japan with Mr. Grossman and UN Secretary General, Kofi Annan. This group of four countries has agreed to work together closely with the UN and examine where the relief effort can best be channelised through the UN.

Foreign Secretary acquainted the other members of the group with the relief and rescue efforts already launched by India for Sri Lanka and Maldives, including substantial assistance being provided through deployment of Indian naval ships and aircraft, including helicopters. These had been deeply appreciated by Sri Lanka and Maldives and are continuing.

This could be expanded further as needed. As far as the disaster in South India and Island territories is concerned, India is confident that we will be able to deal with the challenges with our own resources and international relief therefore could be directed where it is most urgently required.

It is quite possible that another teleconference at the Foreign Secretary level, with Mr. Shyam Saran talking to his counterparts in these countries (US, Japan and Australia) would take place tomorrow[1].

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1. Giving details of the **meeting held the next day (31 Dec.)** the Official Spokesperson Navtej Sarna told the media in New Delhi: "This morning another call took place. There was an additional member added to the core group, which was Mr. Egland, UN Relief Coordinator. He would be representing the UN in terms of the coordinated relief effort. Mr. Marc Grossman, Under Secretary of State Department also reported on the video conferencing that was held yesterday between the UN Secretary General Mr. Kofi Annan and the Heads of Mission of India, Japan and Australia in Washington. US Secretary of State had joined the teleconferencing as a special gesture and the World Bank President Mr. Wolfensohn had also been present. The Group had underlined that it was there to support the efforts of the UN in coordinating international relief effort in South and South-East Asia. Mr. Egland briefed the Group on what the UN was planning to do which includes launching an international appeal at UN headquarters on January 6 and which is likely to be followed by a Donors' Pledging Conference in Geneva on January 11. As far as India is concerned Foreign Secretary has already briefed them on the efforts that India has made for extending assistance to Sri Lanka, Maldives, Indonesia and Thailand and this was acknowledged by the other members of the Group. He also informed them that the Indian Navy hospital ship would be arriving in Aceh, Indonesia on January 2. The Military Attaches in the US and Indian Embassies in Jakarta were already in touch with each other in order to coordinate efforts with a similar hospital ship that the US had dispatched to the area.
   I might add here itself that another Indian Naval ship the INS Khukri will be sailing for Indonesia today from Chennai carrying relief supplies, such as tents, blankets, emergency rations and emergency medical supplies. So, that makes two ships which are on the way to Indonesia. To go back to the core group efforts, the Australians have sent a paper indicating gaps that need to be filled in terms of the relief effort and we have promised that we would be studying these and see whether we can offer additional assistance in these areas. It was also mentioned by the Foreign Secretary to the group that the group could explore the possibility of setting up on an urgent basis an early warning system in the affected area because lack of information was leading to avoidable anxiety, panic and stress. While there is no permanent warning system deployed in the area, there is a possibility of a floating seismic monitoring vessel being stationed temporarily, to provide such early warning. Both the American and the Australian members of the group promised to look into this possibility and to get back on the proposal as soon as possible, possibly tomorrow morning. Similarly, we are also asking our Defence Attache in Bangkok to be in touch with the UN representative for coordinating logistical aspects of the relief supplies there. So, this was an update on the teleconference today. Possibly this group will be in touch tomorrow. That is the situation. Let me add that today External Affairs Minister got two phone calls. One was from the **Chinese Foreign Minister** who expressed his concern and condolences at the loss of life in India. They discussed the various relief efforts and EAM shared with him what was being done for the affected in India and also the external aspects of our relief efforts. External Affairs Minister also received a call from the **Foreign Minister of Indonesia** Dr. Hassan Wirajuda who informed him of the **Special ASEAN Summit** that is being organized in

Jakarta, I understand, on January 6 and **extended an invitation for India** to be present. This is an ASEAN summit and I understand the other **invitees include China, Japan, ROK, India, Sri Lanka, Maldives, Australia, New Zealand, US, World Bank, UN Secretary General, WHO, ADB and the European Union, the European Commission**. Presumably this is the complete list. External Affairs Minster expressed deep concern at huge loss of life in Indonesia and also told him about the tragic effects that the Tsunami has had in India and also that India had tried to make a modest toward effecting relief to Indonesia. So, this invitation has been received and would be under active consideration." Answering questions from the media the Spokesperson confirmed that the proposed Conference in Indonesia was a summit conference and that the invitation was for the Prime Minister. (The Prime Minister later accepted the invitation and agreed to attend the Jakarta summit conference) Regarding the quantum of relief for Thailand, he said that a relief package of half-a-million US dollars was finalized the previous day.

On January 1, 2005 a tele-conference took place among the members of the Tsunami Core Group. They were: **i) Mr. Marc Grossman, Under Secretary of State of U.S.; ii) Mr. Shigekazu Sato, Director General of the Economic Cooperation Bureau of the Japanese Foreign Office; iii) Mr. Douglas Chester, Permanent Secretary, Australian Foreign Office; iv) Mr. Jan Egeland, UN Coordinator for Disaster Relief; v) Mr. Shyam Saran, Foreign Secretary of India. - Mr. Grossman introduced two additional new members of the Core Group: i) Mr. Jan Berteling, Director Humanitarian Relief efforts of The Netherlands; and ii) Mr. Peter Harder, Canadian Deputy Minister of Foreign Affairs.**

Navtej Sarna gave following **details of the tele-conference**: "- Mr.Grossman said that the United States was pledging $ 350 million towards relief efforts and this had been announced by Secretary of State Powell. Powell had also met United Nations Secretary General Kofi Annan in New York on December 31 and had conveyed the full support of the Core Group to UN efforts.

- Mr. Egeland conveyed that there had been outpouring of pledges of assistance and todate this was already $ 1.2 billion, which is best ever response in any natural disaster so far.

- He said that the offers of emergency assistance could be made to either the UN Headquarters itself in New York or alternatively to a Coordination Cell which had been set up in Bangkok.

Mr. Egeland also mentioned that a special logistics hub was being created at Subang airport outside Kuala Lumpur. Material from all over the world could be flown into Subang as the collection point and then ferry across to Aceh and other areas in Sumatra, which are the worst hit. He mentioned that a Hotel Ship which was currently outside Singapore, was being hired to serve as a 1000-bed hospital, to be anchored at Bandar Aceh. It also had the capacity to produce several thousand gallons of fresh water every day.

- During the discussion it was also agreed that for purposes of coordination amongst members, the Utapao base in Thailand could be the ideal location.

- Egeland conveyed that the Flash Appeal that was scheduled for January 6 in New York would now be launched at Jakarta itself during the Summit. This Flash Appeal is basically for emergency assistance for the first six months. According to Egeland, the Pledging Conference would still be held in Geneva on January 11, 2005 and this would be followed by an appeal for reconstruction assistance sometime in February 2005.

- A reference was made to the query that Foreign Secretary had raised about the possibility of a floating Seismic/Tsunami research vessel which could be deployed in the Indian Ocean region, to monitor possible after-shocks and Tsunami recurrence. The US, Australian and Japanese representatives conveyed that their scientists could not find any stop-gap arrangement which could serve the purpose and that effort would need to be focused on medium to long-term measures".

On **January 5, 2005 Foreign Secretary Shyam Saran briefing the media on India's capabilities in disaster management and India's help to Tsunami-affected countries**

said:

"…our response to this disaster was extremely prompt and it was a massive effort which was launched by a very well oiled machinery which was already in place. This is not the first disaster that India has had to handle. Over the past few years we have in place a very efficient disaster management system, a system, which consists of various arms of the Government. It includes, for example, the Ministry of Home Affairs, the Ministry of Defence, in particular the Service arms of our Armed Forces. It includes also the State Governments and there are specific disaster management units, which operate at the State Government level. There are mechanisms for the release of funds instantly when such disasters strike. There is already in place a system of coordination amongst the different agencies. Also, we have people who are trained in disaster management. Perhaps not many of you know that there is actually a National Institute of Disaster Management in India, which not only looks into better methods of management of disasters but also carries out training of personnel in disaster management. So, it is precisely because (i) we had an excellent and extensive machinery in place for disaster management, (ii) we have had well-experienced and well-trained people to take care of such a disaster, (iii) we have, right from the beginning, had the confidence that we have the capabilities, that we have the resources to successfully deal with this unexpected disaster.

I think it would be fair to say that the experience of the last several days has shown that in fact India has been very successful in overcoming the consequences of this disaster. We have more or less completed Phase-I of relief; we are now going to be moving into Phase-II where there would be accent on bringing back normal life to the affected areas of the country. So, any sense that somehow there has been some lack in the manner in which India has responded to this disaster is misplaced. We have seen some reports in international press about India not accepting international assistance but somehow not being able to take care of the consequences itself. That is completely misplaced. In fact, the opposite is true. The other point that I would like to make is that in terms of not accepting foreign assistance – it is not that we have some kind of a dogmatic position on this – what we have stated is that as of now we feel that we have enough resources and capabilities at hand to be able to deal with this disaster. At any point of time when we feel that we could benefit by the assistance or support of friendly countries, certainly there would be no hesitation in reviewing this approach. I would also like to mention here that there are several UN agencies, which are already present in India; there are several international NGOs which are present in India; and many of them are doing excellent work in carrying out relief operations in very close coordination with our local authorities. So, this is already happening. What we felt from the start was that with the enormity of the damage which had been suffered by some of our other friendly countries, particularly Sri Lanka, Thailand and certainly Indonesia where the scale in fact seems to be expanding everyday as more damage comes to our notice, whatever international effort is being launched - of which of course we would be a part - is perhaps better directed at those who really need the assistance the most. Precisely again because of our confidence in our own capabilities of dealing with this disaster we were also able to move very quickly to also extend very timely assistance to other affected countries, in particular of course our nearest neighbours Sri Lanka and Maldives. In fact, in Sri Lanka we were the first to respond virtually on the day the disaster occurred. We have quite a number of assets which are deployed both in Sri Lanka and in Maldives since the time disaster struck, in order to provide relief, in order to rescue people, in order to provide a lot of relief supplies, ferrying of supplies using aircraft, using ships. Later on we also extended this assistance to Indonesia where two of our Naval ships are now I think just outside Banda Aceh – one is going to be functioning as a hospital ship. We have a large number of medical teams which are working in the Maldives, in Sri Lanka. So, not only have we had the confidence that we can take care of the disaster which has struck our own shores but we were also confident that we can also extend a helping hand to our friendly neighbours. This

has been, of course, very deeply appreciated not only by the countries concerned but by the international community including the United Nations. As you know, our External Affairs Minister is leading a delegation to Jakarta. He left last night. There is an ASEAN-sponsored international conference taking place on the Tsunami disaster and the need for international community to come up with assistance as well as coordination of the assistance which is being pledged. Of course, at this particular meeting our Minister will be setting forth our policy with regard to how we deal with this kind of a natural disaster. He will also be giving an account of what we are doing as a responsible, caring member of the international community; what we are doing to give assistance to other countries. **I would also like to mention here that, you are probably aware of it the United States also put together a Tsunami Core Group in order to facilitate a coordinated effort to deal with this disaster. When it was announced, there was the United States, Japan, India and Australia. Later on it was expanded to include the United Nations, Canada as well as the European Union. But the fact that India was invited to be a part of this Core Group was precisely because of the recognition that India in this region had the capabilities, had the resources, in order to help out with the relief efforts. If you look at what has happened in the past several days with regard to assistance, particularly to Sri Lanka and the Maldives, you will see that the major contributor in that respect has been India.**

This Core Group is not functioning any more because that role for coordination has now, quite appropriately, been taken over by the United Nations, which is now fully engaged in terms of coordinating the relief efforts. We are, of course, extremely supportive of the UN role in this regard."

At the same media briefing, taking over from the Foreign Secretary **Vice Admiral Raman Puri gave further details of the assistance extended by India to Sri Lanka, Maldives and Indonesia.** He said: "…We landed at Colombo at 1700 hours on the 26th. Twenty-sixth was the day this Tsunami took place. Within hours of our getting the request, aircraft and ships had moved in. You know the distances involved. We anticipated it and we put ships out to sea that afternoon. We knew that they will be required in Andamans or wherever and we put ships out to sea. By 1700 hours, we had one Naval aircraft with medicines, medical team which landed. Two ships each, from the West Coast and the East Coast were loaded with relief supplies and sailed on 26th December for Galle and Trincomalee respectively, on the same day. Thereafter, a total of ten ship deployments, 20 aircraft sorties have been undertaken in Sri Lanka for ferrying 210 tonnes of relief supplies to this country. After extensive surveys, debris clearance and removal of wreckage, Indian Naval ships have operationalised the port of Galle on the 4th of January. Ships are also engaged in clearing Trincomalee harbour and Colombo harbour and providing assistance to salvage Sri Lankan Naval vessels and fishing craft in these ports. With regard to medical assistance, one Naval medical team was airlifted to Colombo immediately after the disaster and has been operating with Sri Lankan Army since then. One army field hospital along with nine medical officers has been airlifted to Sri Lanka by IL-76 aircraft on the 1st of January and it has established four medical camps. There are other medical camps also established where immediate medical treatment is being given and surgeries are being performed. In addition, the Indian Naval ship is operating a 40-bedded hospital with four intensive care units, pathological labs and x-ray facilities, and six medical camps at various locations in Sri Lanka.

The Indian Army rehabilitation teams on board the ships along with Naval sailors and officers have been deployed for repair of infrastructure. These personnel have repaired a number of generators, pumps, heavy load moving equipment, and have also cleared a number of drinking water wells of contaminated water. That is the first stage of rehabilitation in which you make water available easily to the population. The Indian Air Force has operated a total of five MI-17 and MI-8 helicopters to Sri Lanka. Everyday they are doing two, three, sometimes four sorties. Wherever the Sri Lankan coordination team points out we are ready to go. In addition, Indian Navy is also operating detachments of two aircraft and three helicopters.

These aircraft have undertaken 220 sorties and have airlifted 200 tonnes of relief material to various affected locations in Sri Lanka. So, that is the scale of effort put in to date in Sri Lanka. We are using Chetak helicopters which have come from the ships and they are operating on fields in Sri Lanka.

I will now come to the Maldives. Here again, three Indian Naval ships from Mumbai were loaded with relief supplies and they sailed for Male on afternoon of 26th December. As soon as we got a request, within an hour our ships were at sea. One Coastguard Dornier, two IAF Avro aircraft loaded with relief supplies were also dispatched to Male on 27th December for relief operations. The Indian Armed Forces deployed a Dornier aircraft at Male to enable the Maldives Government to assess the extent of damage in various outlying islands. In addition, 30 tonnes of relief supplies have been airlifted from India by two Avro aircraft. All the three aircraft have been placed at the disposal of the Male Government for ferrying supplies and passengers to various outlying islands. You would have seen Male has got a number of atolls, which need to be visited. Coming to ships, the Indian Navy has deployed four ships along with four helicopters for ferrying supplies and providing assistance. A maritime coordination center has been established at Male to coordinate the relief effort with the Male Government. The ships have ferried 30 tonnes of relief supplies including food, water, communication sets and medicines. The embarked helicopters have flown a total of 70 sorties to lift 20 tonnes of supplies to outlying islands and have evacuated 15 medical casualties. The Indian Naval Ships and aircraft have also been tasked for ferrying approximately 200 tonnes of relief supplies received from international aid agencies from the Hulhule airport to various outlying islands.

To talk about the other assistance, diving ships have provided diving assistance to the Maldives Government for clearing obstructions. In addition, Naval ships and Coastguard ships - when I say Naval, Coastguards is with us - have repaired the generators and operationalised power supply in seven islands. Indian Navy is also running four medical camps at various locations and have treated about a thousand persons. This is the state of ships. They keep going up and down. Sometimes there are two ships, sometimes there are three, and sometimes there are four after the operations have got under way. You can see the visuals. They are generators which our ships' crew is repairing.

Let me now come to the last of three islands, that is, Indonesia. On a receipt of request for assistance from Indonesia the Indian Navy immediately mobilized two ships and these have reached Indonesia on the 4th January. These ships, one is a hospital with one embarked helicopter have reached Indonesia today. The ships are carrying 40 tonnes of relief supplies and three tonnes of medical stores. The ships are being deployed off the west coast of Indonesia. They have already disembarked their 40 tonnes of relief supplies by these two Naval ships on these ports. That is in the process of finishing off today. So, that is the effort that has gone into these islands. As and when requests have come, we have responded to them within hours to all these requests. Of course, the distance is large and so the ships have taken their time sailing but otherwise the reaction from us was instantaneous."

Answering a question on the manner in which the Core Group was formed to coordinate relief efforts of the international community, the Foreign Secretary said: "Right from the beginning, the intention of this Core Group which was set up on the initiative of the US was to initiate a quick response to the disaster by mobilizing the coordinated resources of the countries which had major capabilities and assets available in the area. Once the United Nations came in - as I mentioned to you the United Nations also became a member of the Core Group, later the European Union and Canada also came in - the focus really shifted to the operational side. This particular Group was at the senior officials' level. My counterparts were Under Secretary Grossman, for example, of US and also the Permanent Secretary in the Australian Foreign Office. So, this was initially a Group which was trying to generate an immediate response through the efforts of the countries which were regarded as having major capabilities deployed in the area. Once these efforts got under way and we were

constantly in touch. We were teleconferencing every morning. From the point of view of operationalising the assistance naturally this was not something that the Foreign Secretaries could do. This had to be done at the ground level. This is where by general consent it was decided that the United Nations and its Disaster Relief Organisations are the best placed in order to carry this operational phase of relief. So, by common consent we decided that it was no longer necessary for us to have these daily teleconferencing sessions. But we are in touch with one another and if there is any information to be shared or any coordination to be done at our level, this is always possible through telephone calls that we make to each other."

Answering another question regarding relief to the LTTE controlled areas in Sri Lanka, the Foreign Secretary said: " We are making available all the relief supplies to the Government of Sri Lanka. Government of Sri Lanka of course is deciding where these relief supplies go. We understand that these relief supplies are also going to those affected areas." Giving Indian reaction to the question that American troops had been deployed in Sri Lanka for relief, the Foreign Secretary said: "There is a disaster and there is requirement for assistance. The Indians are already deployed there in fairly large strength. If the United States of America believes it can contribute to that effort, they are most welcome. Whatever is required in terms of coordination, of course that has to be ensured. What is the extent of American support required is something that can be determined on the basis of consultation amongst Sri Lankans, Indians and the Americans. I do not think that there is any kind of misunderstanding or misapprehension in this respect. This is a disaster of such a scale that perhaps whatever assistance is possible should be provided. The question really is how efficient the delivery is. We should not get into each other's way. That is why coordination is required. That is why we need to be in touch with one another. I would like to say here that in fact there has been very good and close coordination with the Americans. As I mentioned to you, I myself was teleconferencing every morning not only with my American counterparts but with other members of the Group. Currently the effort is being coordinated through the United Nations as well as by that Group. So, we do not have any problem in that respect."

Answering a question whether there was any delineation of areas where the countries providing relief like US, India etc are operating, the Foreign Secretary said: "Number one, there is no formal delineation of areas of operation. It just so happens that because we are in close proximity to Sri Lanka and Maldives, much of the relief effort in these two countries has been extended by India. But as has been also mentioned to you, we also have a couple of ships, which are now operating off the coast of Indonesia. So, there is no formal kind of division of labour in this respect. There are also relief supplies coming into Sri Lanka for example from UN agencies. I think recently a flight carrying relief material has come in from Canada too. So, there is no such division of labour. As far as high-level meeting in Sri Lanka is concerned, this is a continuing exercise. There is almost a daily review of what the situation is, where are the areas where greater effort is required. In accordance with the requirements, which are posted to us by the Sri Lankan authorities, there are ships which are deployed there, or the medical teams which are deployed there. Then they redeploy themselves in order to meet those latest contingencies."

On January 6, External Affairs Minister K. Natwar Singh attended the Special ASEAN Leaders' conference called by Indonesia to meet the challenge of the Tsunami. Speaking at that conference **EAM said**: "Existing vocabularies are inadequate to describe the intensity and magnitude of the horrendous catastrophe that hit a dozen countries of the Indian Ocean. The light went out of so many homes in so many countries in so short a span of time – only a few minutes. Yesterday, the Foreign Minister of Indonesia used a striking phrase for this Conference – " a community of grief". I agreed. But let me also add that this community of grief is not and must not become a community of despair. As the Prime Minister of Singapore said, the resilience of the human spirit cannot be underestimated. We are facing this unmeasurable tragedy with determination, vigour, resolution, strong-nerves and with the

dedicated team of workers under the UN. The year 2004 ended in unparalleled tragedy. 2005 begins with collective hope and sustained action.
South and Southeast Asia are a region joined by history and by deep rooted social and cultural ties. We are also, we realize, joined by one ocean. Centuries of interaction have created a natural sense of affinity and empathy amongst our people. It is, therefore, only natural that we have today come together in the face of this unprecedented disaster. Other friends from across the globe have joined us. This vividly demonstrates the truth of the ancient Sanskrit saying "Vasudhaiva Kutumbakam", or that the world is one family, said more than 3000 years ago. In India, the Tsunami has caused extensive damage in the Andaman and Nicobar Islands, the states of Tamil Nadu, Andhra Pradesh, Kerala, and Pondicherry. The death toll has already crossed the figure of 9,500 and is likely to go up further as more than 5,800 persons are still missing. The Government of India, along with those of the affected Indian States and Union Territories, has mounted massive relief and rescue operations. Initially, the focus was on search, evacuation and relief efforts. The situation in Tamil Nadu, Andhra Pradesh, Kerala and Pondicherry has stabilized, and is returning to normalcy. It is stabilizing rapidly in various islands in Andaman district. The focus now is on establishing the communications network, prevention of outbreaks of epidemics and relief and rescue operations in the Nicobar Group of islands, which are the worst affected. Large quantities of food, drinking water, medicines, tents, torches and generator sets have been delivered, and more are ready for delivery. Supplies to inaccessible areas are being air-dropped. For the Andaman and Nicobar Group of Islands, an Integrated Relief Command has been constituted for effective coordination and operationalization of relief and rehabilitation measures. Till the 4th of January the Government of India had incurred an expenditure of US $ 250 million on the relief and rehabilitation effort within India. We have also given due importance to alleviating the psychological impact of the disaster through trauma counseling, early reopening of schools and providing access to TV sets. We deeply appreciate the offers of help which have poured in from several countries. So far we have managed on our own. Our experience of handling natural disasters has enabled us to develop well-defined institutional mechanisms for disaster management at all levels. The lessons that we learnt from the Orissa cyclone of 2000, the Gujarat earthquake of 2001 and other disasters have helped us to effect a paradigm shift in our approach to disaster management, proceeding from the conviction that development cannot be sustainable unless disaster mitigation is built into the development process at all levels. There are designated officers to coordinate the entire disaster response at the national, state and district levels. These institutions swing into action immediately in the aftermath of a disaster. Standard operating procedures for different disasters have been developed and regular drills are organized. A Calamity Relief Fund has been set up in each State to enable State Governments to incur immediate expenditure on response and relief operations in the event of a disaster. This is supplemented by a National Calamity Contingency Fund at the Central Government level. Eight battalions of para-military forces have been equipped as Specialist Search and Rescue Teams. This holistic approach was extremely useful in dealing with the aftermath of the Tsunami. We have circulated a document on Disaster Management in India which gives in detail our approach and experience in handling natural disasters. Perhaps this could be of some interest to all of you here.

It is our evaluation that we can deal with the challenges, insofar as they affect India, with our own resources. We would, of course, be in touch with our friends in case any specialized requirements were to come up. It would, therefore, be appropriate that international relief is directed where it is most urgently required. The international outpouring of compassion - and funds - has indeed been tremendous. We realize, however, that more funds may be required in the months to come. Equally important are steps to ensure a long-term coordinated and sustained response and an effective relief distribution mechanism, which is transparent

External Affairs Minister also has been following these developments very closely. Today he has spoken to our Ambassadors in Thailand, Indonesia, Sri Lanka and Malaysia to get an update on the latest situation and to inform them of the relief that is being extended wherever it is necessary and wherever we can do so at the earliest.

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and sustained.

I would like to say a special word about the children who have been orphaned by this tragedy. The seven to ten year olds who have lost their parents, we hope that their lives are not darkened forever. We need to provide them solace and comfort. India, on its part, was among the first countries to contribute to the international relief efforts by sending needed assistance swiftly to our neighbours who have suffered even more. We have placed a hospital ship off the coast of Aceh, Indonesia, which has been the worst hit area. This ship is providing emergency rations, medicines, tents and first aid kits. It is also equipped to set up on-shore medical facilities. Another naval ship has brought relief and emergency medical supplies. Even as I speak, the Indian relief effort at Meulaboh is in full operation. An onshore field hospital has been set up in this devastated town and relief supplies are being delivered and distributed to the victims. We are ready to do more to assist Indonesia in required areas. Two naval ships have set up medical camps in the Maldives. A naval tanker with drinking water and a water purification plant is also in place. The four aircraft that carried supplies to the Maldives are now stationed there to assist with rescue and relief operations. Two naval vessels are berthed at Trincomalee in Sri Lanka and are undertaking clearance work at the harbor. One of them, after discharge of supplies, will be converted into a hospital ship. Another two naval vessels anchored off the Galle port are heli-lifting supplies. Two Iluyshin 76 aircraft carrying military field hospitals have reached Sri Lanka. Seven helicopters and two other aircraft are operating from Colombo. India whole-heartedly supports the efforts of the United Nations and the presence of the UN Secretary General here today is a testimony to the UN's important role in coordinating international relief, and in finding ways and means to address the gaps in the relief process. We are happy to place the strengths of the Indian Navy for use in humanitarian relief in the region. ASEAN has taken the initiative to bring all of us here today. I thank you, Mr. Chairman, and the Prime Minister of Singapore. Our partnership with ASEAN is matter of mutual satisfaction. It will be deepened by our efforts to jointly address the tragedy which we together face today. India and ASEAN have agreed to cooperate in the field of space technology and its applications for weather forecasting and disaster mitigation. We have also established a BIMSTEC Centre on Weather and Climate in New Delhi. Perhaps there is a role here for the Indian Ocean Rim Association for Regional Cooperation too. There is great merit to activating a regional approach that complements national efforts to handle natural disasters. This allows us to pool together our respective strengths and complementarities effectively and efficiently. As we address current disaster relief priorities, it is also time to look at medium to long term objectives. An evaluation is needed of the various long term warning systems for different disasters that we need to put in place. Even more important will be mechanisms to be able to disseminate early warning signals obtained from these systems to the public. In conclusion, we thank the Government of Indonesia and the Governments of the other ASEAN countries for organizing this meeting. There is need to deal with both emergency relief issues as well as with later phases of rehabilitation and reconstruction. India is committed to continuing its support and assistance in every possible way, including providing trained search and rescue teams, setting up web-based disaster management information systems, and human resources development for disaster management.

Thank you for giving me this opportunity."

You already have some details of these relief elements but I thought I should give you some more. The elements of Rs. 100 crores (one billion) as composite relief package for Sri Lanka and Rs. 5 crores (50 million) for Maldives have already been announced earlier.

In addition, for Sri Lanka two Ilyushin-76 aircrafts carrying military field hospitals are expected to reach tomorrow. Earlier, 4 naval vessels and 7 helicopters have been in operation. One of these naval vessels - INS Sandhayak - is being converted to a hospital ship. The others are doing work of ferrying the supplies, clearing the harbours and helping the helicopter operations.

Similarly, hospital ship INS Nirupak will be leaving for Sumatra, Indonesia tonight. It will be carrying emergency rations, medicines, tents and first aid kits. It will have 10 officers and 240 sailors on board.

Maldives, there are 4 aircrafts and 2 naval ships already in operation. Supplies have been ferried by aircrafts – Avros and Dorniers - and this has been evidently very successful because our High Commission there has said that at the moment there is no further requirement of supplies excepting such specific items as water canisters. Two of these aircrafts have been placed at the disposal of the Maldivian authorities and the other two are being used for search and rescue operations. They are also being used for airdropping of food and water packages and medical supplies in different places.

Besides the general relief and rescue effort, naturally the High Commissions have also been working on identifying, evacuating, assisting Indian nationals wherever they are. For instance, in Maldives our High Commissioner has undertaken extensive aerial survey over remote islands where Indian teachers are living in different places to identify them and see what assistance is needed. Similarly, in Indonesia, particularly in Medan which has 5000 strong community of Persons of India origin and 500 NRIs, extensive work has been done by the Consulate and as you already know Control Rooms have been set up and assistance is being provided. So, this is a sort of an update.

Question: …inaudible…(on assistance from foreign governments)
Answer: As I said we have at present conveyed to them that our own assessments, those of our state governments, our agencies tell us that the

impact of the disaster at the present can be handled by the Government of India within our own resources. So it is advisable that relief should be sent where it is most urgently needed. Nevertheless, were this situation to change and were we to feel that a particular support is needed from any international agency or quarter or country then that would be considered at that time.

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INDIA'S FOREIGN RELATIONS - 2004

Section - V
South Asia

(i) South Asian Association for Regional Cooperation

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085. Speech by External Affairs Minister Yashwant Sinha at the SAARC Chamber of Commerce and Industry Symposium on Regional Cooperation.

Islamabad, January 2, 2004.

President, SAARC Chamber of Commerce and Industry; eminent scholars who have gathered here to participate in this symposium on 'Regional Cooperation'; leaders of business and industry of the SAARC countries, ladies and gentlemen,

2. am extremely happy to be here in Islamabad today and to address this distinguished gathering on the eve of the SAARC Summit. 'Regional Cooperation' is a topic particularly relevant to our current situation in South Asia. I understand that you have been engaged in day long deliberations on topics such as SAFTA, poverty alleviation and the myriad possibilities for regional cooperation that exist within the region. I am certain that leaders of the SAARC countries will find the fruits of your deliberations extremely useful. I congratulate the SCCI on having taken this initiative.

3. Friends, according to a recent forecast by the ADB, South Asia is set to maintain its economic growth performance provided there is no major political instability. Its estimate for the economic growth of the region is a robust 5.8% for 2003 and over 6% for 2004. Clearly, the above has been achieved in an atmosphere of mistrust and tensions in South Asia. Just imagine how much more could be achieved if through trust and confidence building, we ensured political stability and gave ourselves an added boost through regional cooperation.

4. Our expectation in India is that we will grow at a rate of over 7% this financial year. In fact, in the second quarter of 2003, we have achieved a growth rate of 8.4% and our leading industry association, the Confederation of Indian Industry has forecast 9% for the third quarter of the fiscal year 2003-2004. This growth is not a flash in the pan. It is sustainable growth that we have achieved as a result of painstaking economic reforms implemented over the last decade and more.

5. Since we launched our reforms in early 1990s, India has recorded an average annual growth rate of over 6%. It is now the world's fourth largest economy on the basis of Purchasing Power Parity. Our external reserves

have exceeded USD 100 billion and are today the sixth largest in the world. Our foreign trade is growing at double-digit rates. We are rapidly reducing our external debt. There is strong business confidence and a 'feel good' factor across our economy, buoyed by recent successes notched up by our services as well as manufacturing sector. Our reserves of food stock stands at over 30 million tonnes. Starting from scratch a few years ago, Indian software exports have reached USD 10 billion per annum. Our determined thrust for infrastructure modernization emphasizes building of roads, ports, increase in power generation etc. The Indian economy comprises a strong and growing middle class of 300 million people with rapidly increasing purchasing power.

6. The central message, which India therefore brings to the SAARC Summit, is that we must set aside all our suspicions of each other wherever they exist and switch on the engine of South Asian growth in order to travel on the road to prosperity. This task brooks no further delay.

7. In the globalised world of today, collective regional endeavour is an expression of enlightened self-interest for any country. If only we would permit regional stability and cooperation to empower the poor of our countries, the extraordinary productive energies of the one and a half billion people of this region will be set free for the grand march of our economic and social development.

8. There is today consensus that the enhancement of public good requires coordinated multilateral action and belief in overlapping fortunes. Across the world, economic security has become the driving motivation for regional and trans-regional cooperation. Nations are increasingly focused on evolving strategies that will help adapt their economies to world markets and to trans-national economic flows. There is universal recognition that this is best done if countries act as a region rather than as individual economies.

9. In a world where democracy is an universal value, enhancing the quality of life of the people has to be the foremost priority for Governments. Greater regional cooperation enables the creation of mutual stakes in each other's prosperity and, in the process, creates an environment conducive to the resolution of political differences that may exist. Most countries today recognize the fact that hostility and tension would disrupt their economies,

trade and overall wealth aggregation. We too, in South Asia, must recognize this fact.

10. We should accept the realities of the present world order and identify the objectives of cooperative economic security, as many regional groupings are doing. This will require that we do nothing to undermine each other's security. Our goal of economic security for the region can be achieved only if we exchange information, investment, technology, know-how, and business opportunities and, thereby, reinforce our developmental agenda.

11. We all know that foreign investors prefer countries where the economic fundamentals are strong. Reference is often made to factors such as currency stability, adequate infrastructure, size of market, and the labour situation. But even more fundamental to foreign investment is the security environment. There has to be domestic as well as regional peace and stability. Enduring tension will benefit none of us.

12. In fact, the peace dividend, in today's globalised context, is more than just the additional domestic availability of resources. It also includes the innumerable regional collaboration opportunities that become available. We also, thereby, become far less vulnerable to global economic shocks and downturns.

13. There are perhaps no readymade solutions to what has kept us from coming together for so many decades. But to pawn our future to despair is no option either. We have all seen how the limited resumption of business exchanges and people-to-people contacts between India and Pakistan has already contributed to the rise of a new optimism in our region. We must preserve and accelerate such steps across the subcontinent. They can help resolve our differences in a way that old hostility or new distrust never can. Peace is in everybody's self interest. We only need the courage of conviction and the determination to seek peace in the face of all negative persuasions and blandishments.

14. If we do not provide legitimate avenues for commercial interaction, then illegitimate channels come into operation. Decades of tension have resulted in predatory economic structures based on illegal cross-border activities including smuggling, narcotics, arms trafficking and support to disaffected terrorist and insurgent groups. The people who have become wealthy through this criminalised economy fund and sustain divisiveness

in order to inhibit regular economic and social exchanges. This has to be put an end to. A more participatory involvement in legitimate, cross-border economic exchanges has to be promoted so that the peace economy triumphs over the nefarious one.

15. SAARC processes, particularly our negotiations on free trade, must make greater headway. A liberal trade treaty with India has significantly narrowed Nepal's trade deficit with us. India's Free Trade Agreement with Sri Lanka, signed in 2001, led to an increase in Sri Lanka's exports to India by around 137% in just one year. The success of the India-Sri Lanka Free Trade Agreement has inspired us to expand its scope to cover services and investment in a comprehensive economic partnership agreement. These examples show that we must discard the myth of asymmetries in economies inhibiting smaller countries from benefiting from closer economic integration within South Asia.

16. We have assets that few regions have. We have a demographic advantage in our young populations. They are the mainstay of our human resources. Our people have impressed global corporate corridors with their technical, financial and managerial expertise. Their energies and talents must also be given application in regional cooperative enterprises. Our technological advances have put us at the vanguard of today's Knowledge Economy. The size and increasing purchasing power of our collective market creates economies of scale. The rich diversity of our bio-resources – in the Himalayan region and elsewhere – are yet to be exploited for our common benefit. We can have a common network of financial institutions in the banking and insurance sectors. We can look at education, health and housing sectors, which will fling open huge markets to businesses in all our countries. Intra-regional investment flows also have great potential.

17. Let us think then of a comprehensive regional economic partnership. South Asia has vast untapped capacities for hydropower and unexploited hydrocarbons, which can more than meet its huge energy deficit. Nepal and Bhutan today have an estimated potential of 100,000 MW of environmentally clean hydropower. They need to create wealth for their societies by profitably selling these energy resources. The hydroelectric projects in Bhutan illustrate this dramatically. Bhutan's per capita income of USD 600 per annum today is expected to double by the end of 2005, when just one project, the 1020 MW Tala power plant is completed.

18. The optimum management of our water resources for irrigation, navigation and flood control can similarly have a multiplier effect on infrastructure, development and growth in our entire region. This requires not only financial investments, but also maturity of policy.

19. Friends, India is willing to move forward rapidly with a South Asia strategy that will help the economic integration of the subcontinent. Let us create softer and safer national boundaries so that the region becomes an economic area that offers profitable, competitive and enriching partnerships to all of us. We can collaboratively create an alliance for an affluent and amicable Subcontinent. In the past, by fragmenting our people and our markets, we have allowed ourselves to realize only a fraction of our worth. A South Asia with one currency, one tariff regime and free movement of goods, services and people is well within the realm of possibility.

20. We can also look at innovative trilateral arrangements across regions. We have concluded a number of free trade arrangements with many countries of Asia. During my recent visit to Iran, I proposed to the Iranian leadership that India, Iran and Pakistan could form a common market to work together and provide new economic opportunities to the people of the three countries. Later, we could even extend this partnership to include Afghanistan, Central Asia and the Gulf countries to form one huge common market.

21. Pakistan, with its unique geographical position at the confluence of the Sub-Continent, the Persian Gulf and Central Asia can play an invaluable bridge role in connecting an energy-hungry India with its booming markets to those of Central Asia, West Asia and the Gulf. If Pakistan can find within itself the strength and wisdom to change its current approach towards India, there are immense benefits that it can derive as a transit route for the movement of energy, goods and people. We could then very well see this entire region rise on the tide of regional cooperation as has happened in the case of ASEAN.

22. India is proud of its achievements and confident of the future. At the same time, we are also clear that if we want to secure this future, our neighbours must become full partners in our economic progress. We wish to purposefully move forward, and move together. It is for this reason, that I have been advocating quick progress towards a South Asian Union. If other regions could achieve this kind of Union, despite political, social and

economic differences, there is no reason why we should deprive our people of this opportunity.

23. Friends, the size, population and the success of India, whether it be in the economic field or the political and social field, is a reality that should not be held against us. It should be seen as an advantage that can be leveraged for the benefit of all of India's smaller neighbours. India has no desire but to be able to build economic relations aimed at mutual benefit. There are a number of asymmetries in SAFTA. We are quite clear that bigger nations will have to make concessions to smaller nations and such asymmetries are essential to take everyone together. Whatever strengths we have built over the years in terms of technology, in terms of human resource development and capacities, we are prepared to put at the disposal of our neighbours in South Asia.

24. I would like to conclude by extending my good wishes to all of you in the SAARC Chamber. I hope that your networked determination will make you a powerful steering centre for regional integration. I call upon you to create a dense web of contacts among South Asian businessmen and serve as a key bellwether for the Governments of the region on a wide range of economic issues. You have an important role to play in encouraging the people and the Governments of the region to think and act regional, beyond the zero-sum bilateral bedevilments that have plagued us so far. I am confident that you will play this role effectively and in the process, articulate the true voice of South Asia.

Thank you.

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086. Media briefing by Foreign Secretary Shashank prior to the SAARC Summit.

Islamabad, January 2, 2004.

JS (XP) : Good afternoon Ladies & Gentlemen. Welcome to the first briefing in this Media Centre and we have the pleasure to have Foreign Secretary here for the briefing. May I request the FS to address you and then we will take your questions.

FS: The meetings of the Programme Committee and the Standing Committee are over. Yesterday evening we had informal consultation among Foreign Ministers…..where the reports of the two Committees were brought before them and during the consultations it was found that contrary to the earlier feeling that there might be delay in adopting the agreements, somehow considerable progress had been made during the consultations before the Council of Ministers. The first document, which was agreed upon, was the Social Charter and this would be signed at the level of the Summit and will become operational immediately after the signatures. The present proposal is that the charter would be signed during the concluding session i.e. on 6th January. The second document on which the agreement was reached was the Additional Protocol on Terrorism where differences had come up because one had gone into the definitions and the scope of terrorism and the debates which had been going on in the UN forums or NAM forums or OIC or various other forums became part of the meeting of the senior officials and legal experts in Colombo earlier this year. However, during the Standing Committee meeting it was possible to bring the focus on to the main issues i.e. whatever agreements had been reached, whatever obligations had been undertaken by the members of the SAARC should be brought together in the Additional Protocol, which would supplement the SAARC Convention Against Terrorism of 1987. Once we were able to agree on this aspect it was possible to reach an agreement by experts during the Standing Committee meeting and so yesterday when the Foreign Ministers' were there in informal consultations, they were happy to learn that the Additional Protocol on terrorism was ready for signature by the Foreign Ministers. So this will be the second document, which should be signed on the 6th during the concluding session of the Summit by Foreign Ministers.

The third document, which was the South Asian Free Trade Agreement (SAFTA) had again run into some difficulties because not all

the South Asian countries were too familiar with the operations of the Free Trade Area Agreement negotiations and therefore, positions had been taken to satisfy the interest of the business of their own domestic policies. However at the level of the Standing Committee it was possible to get over most of the differences. Still consultations had to continue and it was during the informal consultations among the Foreign Ministers or just before that they were able to get advice of the Foreign Ministers and then report that agreement had been reached even on the SAFTA. They felt that the Summit may have just been cleaned up but the agreement is there and the Foreign Ministers who met yesterday felt that the SAARC had become a historic Summit. It was a momentous decision that three important documents, one of which would promote trade among the countries in South Asia; gradually move our attention from a positive list approach to a negative list approach; be able to take into account the special concerns of the least developed countries without violating undertakings and the obligations within the WTO framework, judicial framework or the legal framework of each country, has been sorted out. This is what I am happy to report to you on the basis of the negotiations up to the Foreign Ministers level.

One report which is an extremely important report on poverty alleviation set by the independent experts has been approved by the Council of Ministers this morning. It has been decided that the report would be continuously updated. At the same time parameters will be developed to judge the progress in poverty alleviation in the South Asian countries because it was felt that when the parameters were adopted based on differing patterns it became very difficult to compare the progress. For example, in some cases it was found that poverty instead of decreasing had increased, that was only because of the conclusions being arrived at in terms of dollar and since some of the currencies devalued in terms of dollar so the obvious conclusion appeared to be that poverty had increased three times or four times as compared to 10 years ago.

While there might have been some marginal increase because of special factors, but essentially it was felt that this should really be taken into account when we are assessing the progress of poverty alleviation.

Our Foreign Minister Mr. Yashwant Sinha also highlighted the importance during the discussion on the poverty alleviation that we should also try to set up a special project for Freedom From Hunger in South Asia.

So it should not only be food security but the real target should be freedom from hunger and we should set up SAARC Food Bank. It was very much appreciated that India had come up with these two initiatives. It was agreed that India should prepare detailed concept very soon, within the next three months, and that they would be circulated by SAARC Secretariat to all the members for consideration at the next Standing Committee and then by the Council of Ministers. Agreement has also been reached on the establishment of South Asian Development Bank. SAARC Finance Ministers and Central Bank Governors would be discussing this further also in the light of the agreement on SAFTA. It was felt that efforts should be made as early as possible on the agreement and promotion and protection of investment, establishment of SAARC Arbitration Council and a multilateral tax treaty with regard to avoidance of double taxation.

Several technical groups and working groups were set up. India agreed to take on technical committees on agriculture, rural development including livestock and fisheries. Another technical committee on transport, which include land, water, railways and civil aviation. As far as working groups were concerned, on SAARC Integrated Programme of Action, India would be chairing the telecommunications and information and communication (ICT) working group and the working group on Intellectual Property Rights including traditional knowledge. It was decided that 2005 would be celebrated as the 20th year of SAARC by observing the South Asia Tourism Year and it is expected that by that time we would also finalize the Freedom from Hunger Project and the SAARC Food Bank. These were major decisions.

India has pledged its contribution apart from the contribution to the SAARC budget – a contribution of Rs. 21.5 million for hosting various types of conferences and meetings. In the near future we are expecting that India would organize Ministerial Conference on Science & Technology, a meeting of the Standing Group of Standards, Quality Control, and Measurements. The 6th Trade Fair will be held in India in New Delhi from 6-10 January 2004.

Question (*Hindustan Times*) : On various SAARC issues … Additional Protocol on Terrorism…differences with other countries….possibility of a bilateral meting...PM with Jamali or President.

FS. There is no change in my reply that no meetings have been set. But if

we had not agreed on the Additional Protocol on Terrorism that would have given a very sad connotation to the SAARC meeting that though we met after two years and still we were not able to put together the Additional Protocol which is nothing but taking into account the agreements which we have already accepted, the obligations which we have already accepted in the international forums, I mean the UN.

Question: (inaudible).

FS. It would appear. However, we have not completed the other part of the debate, which has been left out. That issue still remains unresolved and we are expecting that this development at the SAARC Summit - having the Additional Protocol, having the SAARC Agreement, having the Social Charter, all the attention being given to poverty alleviation in the region and the long term vision which is being projected for economic prosperity, they would all contribute to achieving even bilateral progress.

Question (CNBC)...SAFTA…4 LDCs...4 issues regarding SAFTA...time framework and...neutral position in reduction of tariffs, countervailing duties, and exemption of import duties ….

FS. (inaudible) which have to be included in the framework agreement, have been included there. The question of compensation, question of preparing sensitive list and these various other details they have to be sorted out by the senior officers, by the Commerce Secretary, by other experts so that SAFTA can then become functional from 1 January 2006 which is the target date laid down in the framework agreement

Qeustion (NDTV): Pakistan soften… definitions of terrorism.

FS. What I would reiterate is that all delegations have shown flexibility, they have shown sincerity of purpose in order to achieve these results and that is why we are calling it a historic process this time at the Islamabad Summit

Question : (inaudible)

FS. I agree. The earlier scheme of the SAARC Food Security Reserve of India had placed certain contributions. What has happened is that this system has not been used at all and therefore it was felt that we should come up with some ideas and India is in the best position, India should be the country to give the concept on paper everybody agreed by acclamation

that India should be country to give the concept on paper on the subject so that it can be adopted by others The question of food security had not disappeared but we have to strengthen our instruments to make them more pragmatic

Question : ….Additional Protocol on Terrorism…

FS. This is an Additional Protocol with reference to the SAARC Convention on Terrorism. India firmly believes that there are certain acts of terrorism, which are acts of terrorism and must be curbed.

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087. Statement by Prime Minister Atal Behari Vajpayee at the 12th SAARC Summit.

Islamabad, January 4, 2004.

"I join my other colleagues in congratulating the Prime Minister of Pakistan on his taking over as Chairman of SAARC. I would like to convey our sincere appreciation to the Government of Pakistan for the excellent arrangements made for this Summit, and for the warm hospitality extended to our delegation.

I also join other delegations in commending the immediate past Chairman – Nepal – for the energy and dedication with which it guided SAARC activities during these last two years. This was in spite of the many important domestic preoccupations of His Majesty's Government of Nepal. The spadework for many of today's successful outcomes was done in the various meetings of Ministers and officials in Kathmandu.

At the last Summit in Kathmandu, I had said that, at sixteen years of age, SAARC needed a dose of economic and social realism to move from adolescence to adulthood. Our organization is now 18 years old. I think we can look back with considerable satisfaction over what we have achieved since the last Summit. We have finalized a Social Charter. We have moved forward on Preferential Trading arrangements and have concluded a framework agreement for SAFTA.

We have agreed on an additional protocol, which significantly updates

our 1987 Convention against Terrorism. Our Independent Commission on Poverty Alleviation has done sterling work in putting together a set of substantive recommendations for a regional approach to poverty alleviation.

Much more remains to be done. In its 18 years of existence, SAARC has created high expectations amongst the people of the region. We should be candid in accepting that these expectations have not been fulfilled in the measure of the potential. The benefits of SAARC have not yet touched the lives of ordinary people.

A Group of Eminent Persons, which we set up after the Male Summit, had reviewed the strengths and weaknesses of SAARC and made certain recommendations for its improvement. We are still debating how to make progress on many of these recommendations. We need to move from the realm of ideas to plans of action. Our statements of good intentions have to be translated into programmes for implementation.

The work of our Independent Commission on Poverty Alleviation illustrates this point. The Commission has noted that in spite of the endemic and widespread poverty in all our countries, South Asia has a rich tapestry of best practices, cutting across sectors and regions. Many of these practices have attracted global renown.

Yet we have done almost nothing to document them systematically, to disseminate the lessons from them and to expand their application to regional poverty alleviation programmes.

I would urge all our fellow South Asian countries that we should now act with purpose and focus to implement the Commission's recommendations.

Let us set up a dedicated Task Force – with representatives from each of our countries – to carry forward this implementation work. This Task Force can be set up either under the umbrella of the SAARC Secretariat, or independently. In the latter event, India is willing to host the task force. In either case, we are willing to fund the establishment and logistical costs of establishing and running such a task force.

I would propose, in addition, a Poverty Alleviation Fund, which can be professionally managed and can fund specific poverty alleviation programmes and projects in our countries. Once we have agreed on the

modalities of creation of such a fund, and on its charter, India would be willing to make an initial contribution of US $ 100 million to this Fund, on the understanding that this money would be used entirely on projects within SAARC, but outside India.

Once we have agreed on the modalities of creation of such a fund, and on its charter, India would be willing to make an initial contribution of US $ 100 million to this Fund, on the understanding that this money would be used entirely on projects within SAARC, but outside India.

The Poverty Alleviation Commission has proposed that before 2010 South Asia could reduce poverty by half, and also reduce by half the number of people without safe drinking water and sanitation.

The UN Millennium Development Goals aim to achieve these targets by 2015. With our rich natural resources, our technical manpower base, and our recent economic resurgence, South Asia can – and should – achieve these targets faster.

Let us now resolve that we will try to achieve all the Millennium Development Goals by 2010.

Again, India is willing to support the establishment of a SAARC Group, which could draw up strategies to ensure this, and would specially support those countries which are falling behind this schedule.

Any joint endeavour needs mutual trust and confidence. For many decades, South Asian countries – which have a complex and troubled colonial legacy – have been unable to forge an integrated economic understanding, circumventing political differences.

Mutual suspicions and petty rivalries have continued to haunt us. As a result, the peace dividend has bypassed our region.

History can remind us, guide us, teach us or warn us; it should not shackle us. We have to look forward now, with a collective approach in mind.

Not very long ago, I had visited the Andaman Islands, where during our colonial days, political prisoners were kept in confinement. On the inscriptions in the Cellular Jail there, I found many names of brave martyrs and freedom fighters from what are today three South Asian countries.

Our forefathers fought side by side, transcending religious, regional and linguistic differences against a common colonial oppressor in our first war of Independence in 1857. It reminds us that many of us have a shared history, which pre-dates our more recent divisions.

In two years' time, we will enter the 150th Anniversary of that stirring uprising. Perhaps India, Pakistan and Bangladesh can together celebrate that anniversary, in remembrance of our joint struggle against a common adversary.

We have to learn appropriate lessons from the experience of other countries. After centuries of fratricidal conflicts and wars, Europe is now uniting to emerge as the world's most powerful economic grouping. Closer home, the ASEAN countries have found it possible not to allow their political problems to come in the way of economic cooperation.

Examples of ever deepening regional cooperation can be seen in Africa, Latin America and the Caribbean region where also countries have a long history of bitter hostility towards each other. All these examples remind us that rational economics should triumph over political prejudice in South Asia.

We should undoubtedly encourage free movement of people across the SAARC region. At the same time, we need sufficiently strong controls so that illegal migration is prevented.

We have to create more opportunities for free commercial interaction between us. This also requires jointly tackling smuggling, drug trafficking, money laundering and gun running, all of which today flourish across our borders because of our mutual rivalries and inadequate coordination.

The development of greater economic stakes in each other would naturally result in greater sensitivity to the concerns of each other. This would pave the way for the more ambitious – but entirely achievable – goals such as a Free Trade Area, an Economic Union, open borders and a common currency for our region.

In this context, I would like to draw attention to the courageous action taken by His Majesty the King of Bhutan and his government against insurgent groups, which were trying to use Bhutanese territory to launch terrorist activities in India. It is an outstanding example of sensitivity to the

security concerns of a neighbour, which is at the same time in the direct long-term security interest of Bhutan itself.

World-class connectivity is key to faster development. The establishment of a modern Multi-modal Transport Infrastructure of road, rail, air, waterways and sea-links should be one of our priority objectives.

Again, a SAARC Task Force can be formed, with representatives from all our countries, which could commission or prepare techno-economic feasibility studies of major transportation links. India would be willing to fully support this venture; we would also be ready to make a substantial contribution to actually creating the viable infrastructure links recommended by the Task Force.

Development is increasingly dependent on free information flows. An information society is emerging all over the world. A digital divide between and within SAARC countries could retard development and raise social tensions.

SAARC countries have to transform their societies into “knowledge economies”. India is prepared to share its recent experiences with other SAARC countries in this regard. We are willing to contribute to the widest possible cooperation in the use of IT, bio-technology and other S&T inputs for achieving our priority goals in socio-economic development.

Regional water and energy cooperation projects merit high priority. Our common rivers are a valuable resource for energy, irrigation and transportation. We have vast untapped hydro-carbon resources. A rational exploitation of these shared resources, with equal benefit to all stakeholders, can take us a long way towards real integration of South Asian economies.

When I landed in Islamabad yesterday, a hoarding near the airport caught my attention. It said, “Together we stand a better chance in the world”. This is not a mere slogan. It aptly expresses a profound truth, which south Asia is still to grasp fully.

We have to change South Asia’s image and standing in the world. We must make the bold transition from mistrust to trust, from discord to concord, and from tension to peace.

The bonds of religion, language, ethnicity and culture which hold us

together as a South Asian family are far more enduring than the relatively recent barriers of political prejudice that we have erected. We should renew these bonds to jointly overcome poverty, disease and hunger.

Our region is blessed with rich and varied human resources, a young population, vast markets for intra-regional trade, large energy resources and a rich biodiversity.

In other words, we have the potential, talent and resources to make south Asia an economic powerhouse of the world. We only need the necessary political will to make this happen. This is the agenda which we leaders of SAARC should strive to advance in the coming years."

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088. Social Charter adopted at the SAARC Summit-2004.

Islamabad, January 4, 2004.

Re-affirming that the principal goal of SAARC is to promote the welfare of the peoples of South Asia, to improve their quality of life, to accelerate economic growth, social progress and cultural development and to provide all individuals the opportunity to live in dignity and to realize their full potential.

Recognising that the countries of South Asia have been linked by age-old cultural, social and historical traditions and that these have enriched the interaction of ideas, values, cultures and philosophies among the people and the States and that these commonalities constitute solid foundations for regional cooperation for addressing more effectively the economic and social needs of people.

Recalling that all Member States attach high importance to the imperative of social development and economic growth and that their national legislative, executive and administrative frameworks provide, in varying degrees, for the progressive realization of social and economic goals, with specific provisions, where appropriate, for the principles of equity, affirmative action and public interest.

Observing that regional cooperation in the social sector has received the focused attention of the Member States and that specific areas such as health, nutrition, food security, safe drinking water and sanitation, population activities, and child development and rights along with gender equality, participation of women in development, welfare of the elderly people. youth mobilization and human resources development continue to remain on the agenda of regional cooperation.

Noting that high level meetings convened since the inception of SAARC on the subjects of children, women, human resettlements. Sustainable developments, agriculture and food, poverty alleviation etc. have contributed immensely to the enrichment of the social agenda in the region and that several directives of the Heads of State or Government of SAARC Countries at their Summit meetings have imparted dynamism and urgency to adopting regional programmes to fully and effectively realize social goals.

Reiterating that the SAARC Charter and the, SAARC Conventions, respectively on Narcotic Drugs and Psychotropic Substances, Preventing and Combating Trafficking in Women and Children for Prostitution, Regional Arrangements for the Promotion of Child Welfare in South Asia and the SAARC Agreement on Food Security Reserve provide regional frameworks for addressing specific social issues, which require concerted and coordinated actions and strategies for the effective realization of their objectives.

Realizing that the health of the population of the countries of the region is closely interlinked and can be sustained only by putting in place coordinated surveillance mechanisms and prevention and management strategies.

Noting, in particular, that Heads of State or Government of SAARC Countries, at their Tenth Summit in Colombo in July 1998, re-affirmed the need to develop, beyond national plans of action, a regional dimension of cooperation in the social sector and that the Eleventh SAARC Summit in Kathmandu in January 2002 directed that a SAARC Social Charter be concluded as early as possible.

Convinced that it was timely to develop a regional instrument which consolidated the multifarious commitments of SAARC Member States in

the social sector and provided a practical platform for concerted, coherent and complementary action in determining social priorities, improving the structure and content of social policies and programmes, ensuring greater efficiency in the utilization of national, regional and external resources and in enhancing the equity and sustainability of social programmes and the quality of living conditions of their beneficiaries.

The Member States of the South Asian Association for Regional Cooperation hereby agree to adopt this Charter:

Article I
General Provisions

1. States Parties shall maintain a social policy and strategy in order to ensure an overall and balanced social development of their peoples. The salient features of individual social policy and programme shall be determined, taking into account the broader national development goals and specific historic and political contexts of each State Party.

2. States Parties agree that the obligations under the Social Charter shall be respected, protected and fulfilled without reservation and that the enforcement thereof at the national level shall be continuously reviewed through agreed regional arrangements and mechanisms.

3. States Parties shall establish a people-centered framework for social development to guide their work and in the future, to build a culture of cooperation and partnership and to respond to the immediate needs of those who are most affected by human distress. States Parties are determined to meet this challenge and promote social development throughout the region.

Article II
Principles, Goals and Objectives

1. The provisions made herein shall complement the national processes of policymaking, policy-implementation and policy-evaluation, while providing broad parameters and principles for addressing common social issues and developing and implementing resultoriented programmes in specific social areas.

2. In the light of the commitments made in this Charter, States Parties

agree to:

i. Place people at the center of development and direct their economies to meet human needs more effectively;

ii. Fulfill the responsibility towards present and future generations by ensuring equity among generations, and protecting the integrity and sustainable use of the environment;

iii. Recognize that, while social development is a national responsibility, its successful achievement requires the collective commitment and cooperation of the international community;

iv. Integrate economic, cultural and social policies so that they become mutually supportive, and acknowledge the interdependence of public and private spheres of activity;

v. Recognize that the achievement of sustained social development requires sound. equitable and broad-based economic policies;

vi. Promote participatory governance, human dignity, social justice and solidarity at the national, regional and international levels;

vii. Ensure tolerance, non-violence, pluralism and non-discrimination in respect of diversity within and among societies;

viii. Promote the equitable distribution of income and greater access to resources through equity and equality of opportunity for all;

ix. Recognize the family as the basic unit of society, and acknowledge that it plays a key role in social development and as such should be strengthened, with attention to the rights, capabilities and responsibilities of its members including children, youth and the elderly;

x. Affirm that while State, society, community and family have obligations towards children, these must be viewed in the context of inculcating in children intrinsic and attendant sense of duty and set of values directed towards preserving and strengthening the family, community, society and nation;

xi. Ensure that disadvantaged. marginalized and vulnerable persons and

groups are included in social development, and that society acknowledges and responds to the consequences of disability by securing the legal rights of the individual and by making the physical and social environment accessible;

xii. Promote universal respect for and observance and protection of human rights and fundamental freedoms for all, in particular the right to development; promote the effective exercise of rights and the discharge of responsibilities in a balanced manner at all levels of society; promote gender equity; promote the welfare and interest of children and youth; promote social integration and strengthen civil society;

xiii. Recognize the promotion of health as a regional objective and strive to enhance it by responding to urgent health issues and outbreak of any communicable disease in the region through sharing information with each other, imparting public health and curative skills to professionals in the region; and adopting a coordinated approach to health related issues in international fora;

xiv. Support progress and protect people and communities whereby every member of society is enabled to satisfy basic human needs and to realize his or her personal dignity, safety and creativity;

xv. Recognize and support people with diverse cultures, beliefs and traditions in their pursuit of economic and social development with full respect for their identity, traditions, forms of social organization and cultural values;

xvi. Underline the importance of transparent and accountable conduct of administration in public and private, national and international institutions;

xvii. Recognize that empowering people, particularly women, to strengthen their own capacities is an important objective of development and its principal resource. Empowerment requires the full participation of people in the formulation, implementation and evaluation of decisions and sharing the results equitably;

xviii. Accept the universality of social development, and outline an effective approach to it, with a renewed call for international cooperation and partnership;

xix. Ensure that the elderly persons lead meaningful and fulfilling lives while enjoying all rights without. discrimination and facilitate the creation of an environment in which they continue to utilize their knowledge, experience and skills;

xx. Recognize that information communication technology can help in fulfilling social development goals and emphasize the need to facilitate easy access to this technology;

xxi. Strengthen policies and programmes that improve, broaden and ensure the participation of women in all spheres of political, economic, social and cultural life, as equal partners, and improve their access to all resources needed for the full enjoyment of their fundamental freedoms and other entitlements.

Article III
Poverty Alleviation

1. States Parties affirm that highest priority shall be accorded to the alleviation of poverty in all South Asian Countries. Recognising that South Asia's poor could constitute a huge and potential resource, provided their basic needs are met and they are mobilized to create economic growth, States Parties reaffirm that the poor should be empowered and irreversibly linked to the mainstream of development. They also agree to take appropriate measures to create income-generating activities for the poor.

2. Noting that a large number of the people remain below the poverty line, States Parties re-affirm their commitment to implement an assured nutritional standards approach towards the satisfaction of basic needs of the South Asian poor.

3. Noting the vital importance of biotechnology for the long-term food security of developing countries as well as for medicinal purposes, States Parties resolve that cooperation should be extended to the exchange of expertise in genetic conservation and maintenance of germplasm banks. They stress the importance of the role of training facilities in this area and agree that cooperation in the cataloguing of genetic resources in different SAARC countries would be mutually beneficial.

4. States Parties agree that access to basic education, adequate housing, safe drinking water and sanitation, and primary health care should

be guaranteed in legislation, executive and administrative provisions, in addition to ensuring of adequate standard of living, including adequate shelter, food and clothing.

5. States Parties underline the imperative for providing a better habitat to the people of South Asia as part of addressing the problems of the homeless. They agree that each country share the experiences gained in their efforts to provide shelter, and exchange expertise for effectively alleviating the problem.

Article IV
Health

1. States Parties re-affirm that they will strive to protect and promote the health of the population in the region. Recognizing that it is not possible to achieve good health in any country without addressing the problems of primary health issues and communicable diseases in the region, the States Parties agree to share information regarding the outbreak of any communicable disease among their populations.

2. Conscious that considerable expertise has been built up within the SAARC countries on disease prevention, management and treatment, States Parties affirm their willingness to share knowledge and expertise with other countries in the region.

3. Noting that the capacity for manufacture of drugs and other chemicals exists in different countries, States Parties agree to share such capacity and products when sought by any other State Party.

4. Realizing that health issues are related to livelihood and trade issues which are influenced by international agreements and conventions, the States Parties agree to hold prior consultation on such issues and to make an effort to arrive at a coordinated stand on issues that relate to the health of their population.

5. States Parties also agree to strive at adopting regional standards on drugs and pharmaceutical products.

Article V
Education, Human Resource Development and Youth Mobilization

1. Deeply conscious that education is the cutting edge in the struggle

against poverty and the promotion of development, States Parties re-affirm the importance of attaining the target of providing free education to all children between the ages of 6 - 14 years. They agree to share their respective experiences and technical expertise to achieve this goal.

2. States Parties agree that broad-based growth should create productive employment opportunities for all groups of people, including young people.

3. States Parties agree to provide enhanced job opportunities for young people through increased investment in education and vocational training.

4. States Parties agree to provide adequate employment opportunities and leisure time activities for youth to make them economically and socially productive.

5. States Parties shall find ways and means to provide youth with access to education, create awareness on family planning, HIV/AIDS and other sexually-transmitted diseases, and risks of consumption of tobacco, alcohol and drugs.

6. States Parties stress the idealism of youth must be harnessed for regional cooperative programmes. They further stress the imperative of the resurgence of South Asian consciousness in the youth of each country through participation in the development programmes and through greater understanding and appreciation of each other's country. The Organized Volunteers Programme under which volunteers from one country would be able to work in other countries in the social fields shall be revitalized.

7. States Parties recognize that it is essential to promote increased cross-fertilization of ideas through greater interaction among students, scholars and academics in the SAARC countries. They express the resolve that a concerted programme of exchange of scholars among Member States should be strengthened.

Article VI
Promotion of the status of women

1. States Parties reaffirm their belief that discrimination against women is incompatible with human rights and dignity and with the welfare of the family and society; that it prevents women realizing their social and economic

potential and their participation on equal terms with men, in the political, social, economic and cultural life of the country, and is a serious obstacle to the full development of their personality and in their contribution to the social and economic development of their countries.

2. States Parties agree that all appropriate measures shall be taken to educate public opinion and to direct national aspirations towards the eradication of prejudice and the abolition of customary and all other practices, which are based on discrimination against women. States Parties further declare that all forms of discrimination and violence against women are offences against human rights and dignity and that such offences must be prohibited through legislative, administrative and judicial actions.

3. States Parties shall take all appropriate measures to ensure to women on equal terms with men, an enabling environment for their effective participation in the local, regional and national development processes and for the enjoyment of their fundamental freedoms and legitimate entitlements.

4. States Parties also affirm the need to empower women through literacy and education recognizing the fact that such empowerment paves the way for faster economic and social development. They particularly stress the need to reduce, and eventually eliminate, the gender gap in literacy that currently exists in the SAARC nations, within a tfime-bound period.

5. States Parties re-affirm their commitment to effectively implement the SAARC Convention on Combating the Trafficking of Women and Children for Prostitution and to combat and suppress all forms of traffic in women and exploitation of women, including through the cooperation of appropriate sections of the civil society.

6. States Parties arc of the firm view that at the regional level, mechanisms and institutions, to promote the advancement of women as an integral part of mainstream political, economic, social and cultural development be established.

Article VII
Promotion of the Rights and Well-being of the Child

1. States Parties are convinced that the child, by reason of his or her physical and mental dependence, needs special safeguards and care, including appropriate legal protection, before as well as after birth.

2. The child, for the full and harmonious development of his or her personality, should grow up in a family environment, in an atmosphere of happiness, love and understanding.

3. States Parties shall protect the child against all forms of abuse and exploitation prejudicial to any aspects of the child's well-being.

4. States Parties shall take necessary actions to implement effectively the SAARC Convention on Regional Arrangements for the Promotion of Child Welfare and to combat and suppress all offences against the person, dignity and the life of the child.

5. States Parties are resolved that the child shall enjoy special protection, and shall be given opportunities and facilities, by law and by other means, to enable him or her to develop its full potential physically, mentally, emotionally, morally, spiritually, socially and culturally in a healthy and normal manner and in conditions of freedom and dignity. The best interests and welfare of the child shall be the paramount consideration and the guiding principle in all matters involving his or her life.

6. States Parties agree to extend to the child all possible support from government, society and the community. The child shall be entitled to grow and develop in health with due protection. To this end, special services shall be provided for the child and its mother, including pre-natal, natal (especially delivery by trained birth attendant) and post-natal care, immunization, early childhood care, timely and appropriate nutrition, education and recreation. States Parties shall undertake specific steps to reduce low birth weight, malnutrition, anemia amongst women and children, infant, child and maternal morbidity and mortality rates, through the inter-generational life cycle approach, increase education, literacy, and skill development amongst adolescents and youth, especially of girls and elimination of child/early marriage.

7. States Parties shall take effective measures for the rehabilitation and re-integration of children in conflict with the law.

8. State Parties shall take appropriate measures for the re-habilitation of street children, orphaned, displaced and abandoned children, and children affected by armed conflict.

9. States Parties pledge that a physically, mentally, emotionally or

socially disadvantaged child shall be given the special treatment, education and care required by his or her particular condition.

10. States Parties shall ensure that a child of tender years shall not, save in exceptional circumstances, be separated from his or her mother and that society and the public authorities shall be required to extend particular care to children without a family and to those without adequate means of support, including where desirable, provision of State and other assistance towards his or her maintenance.

11. States Parties shall take all appropriate measures, including legislative, administrative, social and educational measures, to protect children from the illicit use of narcotic drugs and psychotropic substances as defined in the relevant international treaties, and to prevent the use of children in the illicit production and trafficking of such substances. In this respect, States Parties shall expedite the implementation of the SAARC Convention on Narcotic Drugs and Psychotropic Substances at the national and regional levels.

Article VIII
Population Stabilisation

1. States Parties underscore the vital importance of enhanced cooperation in the social development and well-being of the people of South Asia. They agree that national programmes evolved through stakeholder partnership, with enhancement of allocation of requisite resources and well-coordinated regional programmes will contribute to a positive atmosphere for the development of a socially content, healthy and sustainable population in the region.

2. States Parties are of the view that population policies should provide for humancentered approach to population and development and aim towards human survival and wellbeing. In this regard, they affirm that national, local or provincial policies and strategies should aim to bring stabilization in the growth of population in each country, through voluntary sustainable family planning and contraceptive methods, which do not affect the health of women.

3. States Parties shall endeavour to inculcate a culture of self-contentment and regulation where unsustainable consumption and production patterns would have no place in the society and unsustainable

population changes, internal migration resulting in excessive population concentration, homelessness, increasing poverty, unemployment, growing insecurity and violence, environmental degradation and increased vulnerability to disasters would be carefully, diligently and effectively managed.

4. States Parties shall take action to ensure reproductive health, reduction of maternal and infant mortality rates as also provision of adequate facilities to enable an infant to enjoy the warmth of love and support of his/her parents.

5. States Parties also agree to set up a SAARC Network of Focal Institutions on population activities for facilitating the sharing of information, experiences and resources within the region.

Article IX
Drug de-addiction, Rehabilitation and Reintegration

1. States Parties agree that regional cooperation should be enhanced through exchange of information, sharing of national experiences and common programmes in the specific areas, which should receive the priority consideration of the appropriate mechanisms both at the national and regional levels.

2. States Parties identify for intensive cooperation, the strengthening of legal systems to enhance collaboration in terms of financial investigation; asset forfeiture; money laundering; countering criminal conspiracies and organized crime: mutual legal assistance; controlled deliveries; extradition; the updating of laws and other relevant structures to meet the obligations of the SAARC Convention and other related international obligations, and developing of measures to counter drug trafficking through exchange of information; intercountry cooperation; controlled deliveries; strengthened SDOMD; regional training; frequent meetings at both policy and operational levels; strengthening the enforcement capabilities in the SAARC countries; enhanced control of production and use of licit drugs, and precursors and their essential chemicals.

3. Keeping in view the complementarities between demand reduction activities and supply control programmes, States Parties agree that all aspects of demand reduction, supply control, de-addiction and rehabilitation should be addressed by regional mechanisms.

Article X
Implementation

1. The implementation of the Social Charter shall be facilitated by a National Coordination Committee or any appropriate national mechanism as may be decided in each country. Information on such mechanism will be exchanged between States Parties through the SAARC Secretariat. Appropriate SAARC bodies shall review the implementation of the Social Charter at the regional level.

2. Member States shall formulate a national plan of action or modify the existing one, if any, in order to operationalise the provisions of the Social Charter. This shall be done through a transparent and broad-based participatory process. Stakeholder approach shall also he followed in respect of implementation and evaluation of the programmes under National Plans of Action.

Article XI
Entry into force

The Social Charter shall come into force upon the signature thereof by all States Parties.

Article XII
Amendment

The Social Charter may be amended through agreement among all States Parties.

IN FAITH WHEREOF We Have Set Our Hands And Seals Hereunto.

DONE In ISLAMABAD, PAKISTAN, On This The Fourth Day Of January Of The Year Two Thousand Four, In Nine Originals, In The English Language, All Texts Being Equally Authentic.

Begum Khaleda Zia
Prime Minister of the People's
Republic of Bangladesh

Maumoon Abdul Gayoom
President of the
Republic of Maldives

Jigmi Yoezer Thinley
Prime Minister of the
Kingdom of Bhutan

Surya Bahadur Thapa
Prime Minister of the
Kingdom of Nepal

Atal Behari Vajpayee
Prime Minister of the
Republic of India

Mir Zafarullah Khan Jamali
Prime Minister of the
Islamic Republic of Pakistan

Chandrika Bandaranaike Kumaratunga
President of the Democratic Socialist
Republic of Sri Lanka

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089. Media briefing by External Affairs Minister during the SAARC Conference.

Islamabad, January 4, 2004.

Friends, the Prime Minister of India Shri Atal Bihari Vajpayee paid a courtesy call on the Prime Minister of Pakistan Mr. Mir Jaffarullah Khan Jamali after the inaugural session of the 12th SAARC Summit today. They met in a warm and friendly atmosphere. Prime Minister Vajpayee thanked Prime Minister Jamali for the excellent arrangements made for the SAARC Summit. The meeting lasted around half an hour, out of which about 15 minutes was a one-on-one between the two Prime Ministers. The two Prime Ministers agreed that the momentum which has been created in our bilateral relations should be maintained.

As you are also aware, I also paid a courtesy call on the Foreign Minister of Pakistan Mr. Khursheed Kasuri today.....in fact I am coming from there. I complimented him on the way he conducted the SAARC Ministerial Conference, and congratulated him on its successful outcome under his leadership. Both of us expressed our satisfaction at the progress in our bilateral relations. We discussed various ways of maintaining this momentum and agreed on the need to do so. The Prime Minister of India Mr. Vajpayee has also asked for a courtesy call on the President of Pakistan General Musharraf.

Question : Sir when is the courtesy call likely to be and in this regard was there any agreement on resuming the stalled dialogue between India and Pakistan and if so would it be on the basis of Simla Agreement and the Lahore Documents ….. that have been agreed to (Amit Baruah, The Hindu).

Answer : We have asked for a call on the President tomorrow. Naturally the time will have to be mutually convenient so I am not able to enlighten you on that yet. As far as the rest of your question is concerned I have said what I have to say in my statement already.

Question : What was the substantive issues that were discussed during the meeting. Do we consider it as a precursor to a formal dialogue process beginning between India and Pakistan (Saurabh Shukla, HT)

Answer: *I think I should also say something in Hindi also since the TV people get up set at the only use of English. This was a formal meeting; as*

I said it was a courtesy call. All that could be said, I have told you. Thereafter the two foreign ministers met and discussed what steps are necessary to push forward this process; but this is not the occasion when one can go into its details.

Question: *Should we take it that the dialogue between India and Pakistan which was stall for the past two years, has restarted? (Aaj Tak)*

Answer: *Sir, the Prime Minister is here in Islamabad for the SAARC Summit. Whenever the Prime Minister visits any country he makes courtesy call on all those it is necessary to do so. Therefore I am repeatedly stressing that his call on Prime Minister Jamali was in the nature of a courtesy call.* His call on President Musharraf, if it materializes tomorrow, will be in the nature of a courtesy call. My call on the Foreign Minister of Pakistan was also in the nature of a courtesy call. But because it took place after the two PMs met and agreed that the momentum should be maintained, naturally at our level we discussed some of the ways in which this momentum could be maintained.

Question : Has Prime Minister Jamali been invited to visit India ? (Rajdeep Sardesai, NDTV)

Answer : I am glad you have asked this question because I believe that there has been a lot of speculation ……. this did not figure in the discussions.

(The text in Italics is translation from Hindi by the editor)

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090. Press conference of External Affairs Minister Yashwant Sinha in Islamabad.

Islamabad, January 5, 2004.

I apologize for having kept you all waiting. I wish to state with all sincerity that it was not that one was not interested in meeting the media, but only on account of the fact that we had to go to the Retreat at the residence of the Prime Minister of Pakistan that has finished just a little while ago and as soon as we finished with the retreat, I am here in front of you. So don't read any more meanings in this than is warranted.

Friends, as I mentioned to you yesterday, the Prime Minister of India had requested for a courtesy call on the President of Pakistan for today. That meeting materialized this morning, and just before going for the retreat, the Prime Minister of India met with the President of Pakistan. The meeting lasted about an hour.

The PM of India congratulated the President of Pakistan on the successful conduct of the SAARC meetings so far, and also thanked him for the excellent arrangements made for him and the Indian delegation. Both leaders welcomed the recent steps towards the normalization of relations between the two countries and expressed the hope that the process will continue. Thank you.

Question : Don't you think that the people in Pakistan as well as in India expect a bit more than these few sentences.

Answer: I respond to the question that you are asking by saying that anyone who at this stage says anything more is not doing any service to the cause.

Question : Has President Musharraf invited Mr. Vajpayee to pay official visit to Pakistan, or Mr. Vajpayee has invited President Musharraf to continue this process.

Answer: No Sir. This did not figure in the talks.

Question : Would you like to tell us about the sideline meetings between Mr. Brajesh Mishra and the ISI DG General Ehsan ?

Answer: I don't think that is necessary.

Question: Sir is it correct……should we believe the Pakistan Information Minister when he says that attempts are being made to work out a joint statement (Bharat Bhushan, Telegraph).

Answer : I just responded to another question by saying that at this stage, if anyone is saying anything more than what I have said he or she is not doing justice to the cause.

Question : If you describe today's meeting between Prime Minister Vajpayee and President Musharraf as a step forward, then what was discussed yesterday in the meeting between Prime Minister Vajpayee and Prime Minister Jamali, and do you think that finally the ice has been broken and are we looking at a structured agenda for talks between India and Pakistan (Saurabh Shukla, *Hindustan Times*).

Answer : Sir, the fact that the Prime Minister of India came to Islamabad for the SAARC Summit, the fact that the Prime Minister of India has met the Prime Minister of Pakistan, that he has met the President of Pakistan, that I have met my counterpart, that the Foreign Secretary has met the (Pak) Foreign Secretary, is progress. And please look at it like that…..there is no other way that I can think of describing it.

Question : Mr. Foreign Minister could you elaborate why you feel that taking the process beyond this, and perhaps formalizing it, will not be helping the cause of India (Arnab Goswami, NDTV).

Answer : No. I didn't….I am sorry…I did not use those words. So my first request…we are dealing with a very sensitive issue here please do not put words in my mouth. Please just say what I have told you. I said at this stage anyone who is saying anything more about that meeting is not helping the cause. This is what I have said.

Question : So you are not ruling out the possibility in the future.

Answer : I am not saying anything more on that…I am just saying because somebody asked me about some statements which are being made. I would at this point of time tell you very frankly that they are nothing more than mere speculations, and as a responsible person I would not like to speculate. That is a simple point that I am making and also the point that I am making is that we are interested in the success of a certain process. And if you are interested in the success of a certain process then you have to act with a

certain degree of responsibility.

Question : Would you call an hour-long meeting a courtesy call? And the meeting between the President and the Prime Minister lasted for an hour (Suman Chattopadhyaya, ABP).

Answer : I said….if you would listen to the words that I used…was that yesterday we had asked for a courtesy call on the President of Pakistan and then I myself went on to say that the meeting lasted about an hour.

Question : Sir as you said that the meeting lasted for one hour and five minutes. Would you please tell us….

Answer : I did not say five minutes…

Question : (contd)…sir this is what I learnt from Pakistan Television...

Answer : (contd)…Ascribe it to them, not to me.

Question : OK Sir. Thank you very much. Sir the meeting lasted for one hour as you said.

Answer : About an hour I said.

Question : Then you said that the basis of the future dialogue there must be some basis…what is the basis. Will you elucidate the basis of the future dialogue ?

Answer : No. I cannot at this stage. I have very clearly told you that at this stage this is as far as I am prepared to go as far as that meeting is concerned, all this process is concerned.

Question : *Was there one-to-one talk during that one hour between the Prime Minister and the President? If so how long it last?*

Answer : *It was a group discussion with people from both the sides being present.*

EAM: I will take two more questions…

JS (XP): (in response to demands from all quarters) We are distributing it over the three days.

Question : Mr. Minister I want to ask about the CBMs. Have both the

countries exhausted CBMs or can we expect few more in the next coming days ?

Answer : I would only like to respond by saying that I don't think the possibility of more CBMs is exhausted at this point of time.

Question : India has always maintained that Pakistan always runs cross-border terrorism across the line of control. Did the subject of terrorism come up in today's dialogue? (Jyoti Malhotra, Indian Express).

Answer : I am not in a position to go into details. On the talks I have said what I had to say. So please do not ask me to share the details with you. Sometimes as I said it is not in the interest of the cause to share details.

Question : What is the cause ?

Answer : The cause is furtherance of the process that has been started on the 18th of April by the Prime Minister of India. That is the cause.

Question : You have taken questions in Hindi, now take one in urdu!

Answer : *Hindi and Urdu are same, now let one in Urdu come!*

Question : What happened at the Retreat?

Answer : The Secretary General of SAARC will brief you separately about the retreat. That is not my function to brief you on the retreat. That is the function of the Secretary General of SAARC.

JS (XP): Thank you ladies and gentlemen.

(Text in italics is translated from Hindi transliteration).

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091. Declaration issued at the end of SAARC Summit.

Islamabad, January 6, 2004.

"We the Prime Minister of the people's republic of Bangladesh, Begum Khaleda Zia, the Prime Minister of the Kingdom of Bhutan, Lyonpo Jigmi Yoezer Thinley, the Prime Minister of the Republic of India, Atal Behari Vajpayee, the President of the Republic of Maldives, Maumoon Abdul Gayoom, the Prime Minister of the Kingdom of Nepal, Surya Bahadur Thapa, the Prime of Minister of the Islamic Republic of Pakistan, Mir Zafarullah Khan Jamali and the President of the Democratic Socialist Republic of Sri Lanka, Chandrika Bandaranaike Kumaratunga:

Having met at the Twelfth Summit meeting of the South Asian Association for Regional cooperation (SAARC) in Islamabad, Pakistan on 4-6 January 2004;

Guided by the vision of a peaceful and prosperous South Asia and proud of its rich culture and traditions;

Deeply conscious of the growing interdependence within and amongst nations and regions in an increasingly globalising world;

Desirous of promoting peace, stability, amity and progress in the region through strict adherence to the principles of the United Nations Charter and Non-Alignment, particularly respect for the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the internal affairs of the states and peaceful settlement of all disputes;

Reaffirming the centrality of SAARC for promoting regional cooperation and emphasizing the need to enhance its efficacy;

Strongly reaffirming our commitment to the objectives, principles and provisions of the Charter of the South Asian Association for Regional Cooperation (SAARC);

Declare that:

Regional Cooperation

Economic

1. We renew our commitment to the objectives and principles of SAARC

and pledge to reinvigorate cooperation to realize peace amity, progress and prosperity of all peoples of South Asia.

2. We affirm our determination to create an inclusive, just and equitable partnership for peace, development and prosperity. Satisfactory progress has been made in SAPTA. The signing of the Framework Agreement on SAFTA is a major milestone. It is important to maintain this momentum and move towards further broadening of economic cooperation and to ensure equitable distribution of benefits of trade and cater to the special needs of the small and LDC Member States by providing them special and differential treatment.

3. We reiterate our commitment made at the 11th SAARC Summit at Kathmandu in January 2002 for the creation of a South Asian Economic Union. In this context, we underline that creation of a suitable political and economic environment would be conducive to the realization of this objective.

4. A study on creating a South Asian Energy Cooperation including the concept of an Energy Ring should be undertaken by the Working Group on Energy.

5. For accelerated and balanced economic growth it is essential to strengthen transportation, transit and communication links across the region.

6. Public and private sector cooperation, particularly joint ventures holds great promise. It is important to move towards Project cooperation under SAARC. Prospects for setting up of a South Asian Development Bank should be examined by the SAARCFINANCE through the Council of Ministers.

7. Priority attention should also be given to the need for harmonization of standards, simplification of custom procedures, as well as cooperation among the central banks.

8. Development of tourism within South Asia could bring economic, social and cultural dividends. There is a need for increasing cooperation to jointly promote tourism within South Asia as well as to promote South Asia as tourism destination inter alia by improved air links. To achieve this and to commemorate the twentieth year of the establishment of SAARC, the year 2005 is designated as “South Asia Tourism Year”, for the success of which, each member would individually and jointly organize special events.

9. SAARC members should continue to safeguard their collective interests in multilateral forums by discussing, coordinating and exchanging information with a view to adopting common positions, where appropriate on various issues.

Poverty Alleviation

10. We recognize poverty alleviation as the greatest challenge facing the peoples of South Asia and declare poverty alleviation as the overarching goal of all SAARC activities. It is, imperative to relate regional co-operation to the actual needs of the people.

11. Provision of basic needs, promotion of literacy, and better health care are a regional priority. It is important to undertake effective and sustained poverty reduction programmes through pro-poor growth strategies and other policy interventions with specific sectoral targets.

12. The Plan of Action of Poverty Alleviation, prepared by the meeting of Finance and Planning Ministers in Islamabad in 2002, is hereby approved.

13. The reconstituted Independent South Asian Commission for Poverty Alleviation (ISACPA) has done commendable work. An effective strategy should be devised to implement suggestions made in its report "Our Future Our Responsibility". In this context, ISACPA should continue its advocacy role. It should prepare and submit to the next SAARC Summit a comprehensive and realistic blue-print setting out SAARC Development Goals for the next five years in the areas of poverty alleviation, education, health and environment giving due regard, among others, to the suggestions made in ISACPA report.

14. The SAARC Secretariat should periodically update and submit regional poverty Profiles.

15. SAARC should continue to collaborate with international organizations and UN agencies in the field of Poverty Alleviation. Arrangements for SAARC Food Security Reserves should be made more effective. We also recommend the establishment of a Regional Food Bank for which a concept paper should be prepared.

16. Investment in human resources is critical for future development of

South Asia. It is, therefore, essential to establish a network of centres of higher learning, training and Skill Development Institutes (SDI's) across South Asia. In this context, the role of the SAARC Human Resource Development Centre (SHRDC) is important.

Science and Technology

17. Strengthening of scientific and technological co-operation across the region is fundamental to accelerating the pace of economic and social development. Sharing of scientific and technological expertise, joint research and development and industrial application of higher technology should be encouraged and facilitated.

Social

18. We hail the signing of the SAARC Social Charter as a historic development, which would have a far reaching impact on the lives of millions of South Asians. Issues covered under the Charter such as poverty alleviation, population stabilization, empowerment of women, youth mobilization, human resource development, promotion of health and nutrition and protection of children are key to the welfare and well being of all South Asians.

19. Progress has been made in the constitution of SAARC Autonomous Advocacy Group of Prominent Women Personalities (SAWAG). To enable women to contribute to the socio-economic development, there is a need for SAARC to encourage women entrepreneurs in the region.

20. Member states should move towards an early ratification of the two Conventions on Child Welfare and Trafficking in Women and Children for Prostitution.

21. Easy and affordable health care, prevention and treatment of HIV/AIDS, Tuberculosis and other serious communicable diseases are priorities. The year 2004 is declared as the "SAARC Awareness Year". The SAARC Secretariat should effectively implement the proposed programmes on the observation of the SAARC Awareness year and develop a regional strategy through a consultative process and collaborate closely with the Joint UN Programme on HIV/AIDS (UNAIDS) and other international organizations and civil society.

22. The important initiative taken by Maldives in hosting the Emergency

Meeting of the SAARC Health Ministers on SARS epidemic in Male on 29 April 2003 was a welcome development.

23. As agreed by the SAARC Health Ministers' Conference held recently in New Delhi, a SAARC Health Surveillance Center and Rapid Deployment Health Response System should be set up to deal with the emerging and re-emerging diseases as well as to establish a network between various institutions dealing with malaria and other vector borne diseases in the Member States. Also, documentation of traditional knowledge to safeguard Intellectual Property Rights (IPRS) in medicine needs attention.

24. The importance of cooperation in medical expertise and pharmaceuticals as well as in the field of traditional medicine requires elaboration of a SAARC Plan of Action that should be developed in the shortest possible time.

25. We take pride in the rich cultural mosaic of the peoples of South Asia and underline the need for preservation of traditional skills and crafts and pro motion of cultural exchanges between nations.

26. We welcome the establishment of a SAARC Cultural Centre in Kandy, which will serve as symbol of South Asian shared cultural heritage.

Environment

27. It is important to undertake and reinforce regional cooperation in the conservation of our water resources, environment, pollution prevention and control as well as our preparedness to deal with natural calamities. We welcome the early establishment of the Coast Zone Management Centre in the Maldives.

28. The early and effective implementation of the SAARC Environment Plan of Action is important. We further stressed the early submission of the State of the Environment reports to expedite the preparation of SAARC State of Environment report and the commissioning of the work on drafting a Regional Environment Treaty.

Combating Terrorism

29. We condemn terrorist violence in all its forms and manifestations and note that people of South Asia continue to face a serious threat from terrorism.

30. We are convinced that terrorism, in all its forms and manifestations, is a challenge to all states and to all of humanity, and cannot be justified on any ground, whatsoever. Terrorism violates the fundamental values of the United Nations and the SAARC Charter and constitutes one of the most serious threats to international peace and security. We agree to fully implement the relevant international conventions to which we are parties.

31. We reaffirm our commitment to SAARC Regional Convention on Suppression of terrorism, which, among others, recognizes the seriousness of the problem of terrorism as it affects the security, stability, and development of the region.

32. The signing of the Additional Protocol to the SAARC Regional Convention on Combating Terrorism to deal effectively with financing of terrorism is a further manifestation of our determination to eliminate all forms and manifestations of terrorism from South Asia.

SAARC Award

33. We welcome the institution of the SAARC Award on the basis of a concept paper drawn up by His Majesty's Government of Nepal and decide to present the Award during the Summits in future. The Award will honour and encourage outstanding individuals and organizations within the region in the fields of peace, development, poverty alleviation, and in other areas of regional cooperation.

Information and Communications

34. We recognize the vital role that information and media can play in the promotion of peace, progress and harmony in South Asia. In this context, the initiatives for introducing regular 'SAARC Roundup' and 'SAARC News' programmes for telecast and broadcast on National TV and Radio channels, respectively in Member Countries is a welcome development. We agree to the establishment of a SAARC Information Centre in Kathmandu.

35. SAARC should endeavour to bring the benefits of information and communications technology to all peoples of the region, bridging the digital divide and assist in the development of knowledge based societies.

SAARC Integrated Programme of Action (SIPA)

36. We note with satisfaction the progress achieved in regional

cooperation through SIPA. The commitment to SIPA must be matched by a corresponding allocation of resources for it.

Sub-Regional Cooperation

37. We encourage the development of specific projects relevant to the individual needs of three or more Member states under the provisions articles VII and X of the SAARC Charter.

Inter-Regional Cooperation

38. We express our determination to develop mutually beneficial links between SAARC and other regional and international organizations, bodies and entities and agree to establish dialogue partnership with other regional bodies and with states outside the region, interested in SAARC activities.

Enhancing Political Cooperation

39. We envision South Asia to be a peaceful and stable region where each nation is at peace with itself and its neighbours and where conflicts, differences and disputes are addressed through peaceful means and dialogue.

40. Reaffirm our pledge to promote good neighborly relations on the basis of the principles of sovereign equality, territorial integrity and national independence, non-use of force, non-intervention and non-interference and peaceful settlement of disputes and recognize the importance of informal political consultations in promoting mutual understanding and reinforcing confidence building process among Member states.

Security of Small States

41. We are particularly mindful of the security concerns of small states that arise, inter alia, from their particular vulnerabilities, which should be firmly addressed by scrupulous adherence to the UN Charter, rules of international law and strict adherence to the universally accepted principles and norms related to sovereign rights and territorial integrity of all states. This should be ensured by all, both severally and collectively, through appropriate actions.

42. We endorse the recommendations made by the Council of Ministers at its Twenty-third and Twenty-fourth sessions.

Thirteenth SAARC Summit

43. We appreciate the offer the People's Republic of Bangladesh to host the Thirteenth SAARC Summit in January 2005."

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092. Agreement on South Asian Free Trade Area.

Islamabad, January 6, 2004.

The Governments of the SAARC (South Asian Association for Regional Cooperation) Member States comprising the People's Republic of Bangladesh, the Kingdom of Bhutan, the Republic of India, the Republic of Maldives, the Kingdom of Nepal, the Islamic Republic of Pakistan and the Democratic Socialist Republic of Sri Lanka hereinafter referred to as "Contracting States"

Motivated by the commitment to strengthen intra-SAARC economic cooperation to maximise the realisation of the region's potential for trade and development for the benefit of their people, in a spirit of mutual accommodation, with full respect for the principles of sovereign equality, independence and territorial integrity of all States;

Noting that the Agreement on SAARC Preferential Trading Arrangement (SAPTA) signed in Dhaka on the 11th of April 1993 provides for the adoption of various instruments of trade liberalisation on a preferential basis;

Convinced that preferential trading arrangements among SAARC Member States will act as a stimulus to the strengthening of national and SAARC economic resilience, and the development of the national economies of the Contracting States by expanding investment and production opportunities, trade, and foreign exchange earnings as well as the development of economic and technological cooperation;

Aware that a number of regions are entering into such arrangements to enhance trade through the free movement of goods;

Recognising that least developed countries in the region need to be

accorded special and differential treatment commensurate with their development needs; andRecognising that it is necessary to progress beyond a Preferential Trading Arrangement to move towards higher levels of trade and economic cooperation in the region by removing barriers to cross-border flow of goods;

Have agreed as follows:

Article 1
Definitions

For the purposes of this Agreement:

1. **Concessions** mean tariff, para-tariff and non-tariff concessions agreed under the Trade Liberalisation Programme;

2. **Direct Trade Measures** mean measures conducive to promoting mutual trade of Contracting States such as long and medium-term contracts containing import and supply commitments in respect of specific products, buy-back arrangements, state trading operations, and government and public procurement.

3. **Least Developed Contracting State** refers to a Contracting State which is designated as a "Least Developed Country" by the United Nations;

4. **Margin of Preference** means percentage of tariff by which tariffs are reduced on products imported from one Contracting State to another as a result of preferential treatment.

5. **Non-Tariff Measures** include any measure, regulation, or practice, other than "tariffs" and "paratariffs".

6. **Para-Tariffs** mean border charges and fees, other than "tariffs", on foreign trade transactions of a tariff-like effect which are levied solely on imports, but not those indirect taxes and charges, which are levied in the same manner on like domestic products. Import charges corresponding to specific services rendered are not considered as para-tariff measures;

7. **Products** mean all products including manufactures and commodities in their raw, semi-processed and processed forms;

8. **SAPTA** means Agreement on SAARC Preferential Trading Arrangement signed in Dhaka on the 11th of April 1993;

9. **Serious injury** means a significant impairment of the domestic industry of like or directly competitive products due to a surge in preferential imports causing substantial losses in terms of earnings, production or employment unsustainable in the short term;

10. **Tariffs** mean customs duties included in the national tariff schedules of the Contracting States;

II. **Threat of serious injury** means a situation in which a substantial increase of preferential imports is of a nature to cause "serious injury" to domestic producers, and that such injury, although not yet existing, is clearly imminent. A determination of threat of serious injury shall be based on facts and not on mere allegation, conjecture, or remote or hypothetical possibility.

Article 2
Establishment

The Contracting States hereby establish the South Asian Free Trade Area (SAFTA) to promote and enhance mutual trade and economic cooperation among the Contracting States, through exchanging concessions in accordance with this Agreement.

Article 3
Objectives and Principles

1. The Objectives of this Agreement are to promote and enhance mutual trade and economic cooperation among Contracting States by, inter-alia:

a) eliminating barriers to trade in, and facilitating the cross-border movement of goods between the territories of the Contracting States;

b) Promoting conditions of fair competition in the free trade area, and ensuring equitable benefits to all Contracting States, taking into account their respective levels and pattern of economic development;

c) Creating effective mechanism for the implementation and application of this Agreement, for its joint administration and for the resolution of disputes; and

d) Establishing a framework for further regional cooperation to expand and enhance the mutual benefits of this Agreement.

2. SAFTA shall be governed in accordance with the following principles:

a) SAFTA will be governed by the provisions of this Agreement and also by the rules, regulations, decisions, understandings and protocols to be agreed upon within its framework by the Contracting States;

b) The Contracting States affirm their existing rights and obligations with respect to each other under Marrakesh Agreement Establishing the World Trade Organisation and other Treaties/Agreements to which such Contracting States are signatories;

c) SAFTA shall be based and applied on the principles of overall reciprocity and mutuality of advantages in such a way as to benefit equitably all Contracting States, taking into account their respective levels of economic and industrial development, the pattern of their external trade and tariff policies and systems;

d) SAFTA shall involve the free movement of goods, between countries through, inter alia, the elimination of tariffs, para tariffs and non-tariff restrictions on the movement of goods, and any other equivalent measures;

e) SAFTA shall entail adoption of trade facilitation and other measures, and the progressive harmonisation of legislations by the Contracting States in the relevant areas; and

f) The special needs of the Least Developed Contracting States shall be clearly recognised by adopting concrete preferential measures in their favour on a non-reciprocal basis.

Article 4
Instruments

The SAFTA Agreement will be implemented through the following instruments:

1. Trade Liberalisation Programme

2. Rules of Origin

3. Institutional Arrangements

4. Consultations and Dispute Settlement Procedures

5. Safeguard Measures

6. Any other instrument that may be agreed upon.

Article 5
National Treatment

Each Contracting State shall accord national treatment to the products of other Contracting States in accordance with the provisions of Article III of GATT 1994.

Article 6
Components

SAFTA may, inter-alia, consist of arrangements relating to:

a) tariffs;

b) para-tariffs;

c) non-tariff measures;

d) direct trade measures.

Article 7
Trade Liberalisation Programme

1. Contracting States agree to the following schedule of tariff reductions:

a) The tariff reduction by the Non-Least Developed Contracting States from existing tariff rates to 20% shall be done within a time frame of 2 years, from the date of coming into force of the Agreement. Contracting States are encouraged to adopt reductions in equal annual installments. If actual tariff rates after the coming into force of the Agreement are below 20%, there shall be an annual reduction on a Margin of Preference basis of 10% on actual tariff rates for each of the two years.

b) The tariff reduction by the Least Developed Contracting States from existing tariff rates will be to 30% within the time frame of 2 years from the date of coming into force of the Agreement If actual tariff rates on the date of coming into force of the Agreement are below 30%, there will be an annual reduction on a Margin of Preference basis of 5 % on actual tariff rates for each of the two years.

c) The subsequent tariff reduction by Non-Least Developed Contracting

States from 20% or below to 0-5% shall be done within a second time frame of 5 years, beginning from the third year from the date of coming into force of the Agreement. However, the period of subsequent tariff reduction by Sri Lanka shall be six years. Contracting States are encouraged to adopt reductions in equal annual installments, but not less than 15% annually.d) The subsequent tariff reduction by the Least Developed Contracting States from 30% or below to 0-5% shall be done within a second time frame of 8 years beginning from the third year from the date of coming into force of the Agreement. The Least Developed Contracting States are encouraged to adopt reductions in equal annual installments, not less than 10% annually.

2. The above schedules of tariff reductions will not prevent Contracting States from immediately reducing their tariffs to 0-5% or from following an accelerated schedule of tariff reduction.

3. a) Contracting States may not apply the Trade Liberalisation Programme as in paragraph 1 above, to the tariff lines included in the Sensitive Lists which shall be negotiated by the Contracting States (for LDCs and Non-LDCs) and incorporated in this Agreement as an integral part. The number of products in the Sensitive Lists shall be subject to maximum ceiling to be mutually agreed among the Contracting States with flexibility to Least Developed Contracting States to seek derogation in respect of the products of their export interest; and b) The Sensitive List shall be reviewed after every four years or earlier as may be decided by SAFTA Ministerial Council (SMC), established under Article 10, with a view to reducing the number of items in the Sensitive List.

4. The Contracting States shall notify the SAARC Secretariat all non-tariff and para-tariff measures to their trade on an annual basis. The notified measures shall be reviewed by the Committee of Experts, established under Article 10, in its regular meetings to examine their compatibility with relevant WTO provisions. The Committee of Experts shall recommend the elimination or implementation of the measure in the least trade restrictive manner in order to facilitate intra SAARC trade.

5. Contracting Parties shall eliminate all quantitative restrictions, except otherwise permitted under GATT 1994, in respect of products included in the Trade Liberalisation Programme.

6. Notwithstanding the provisions contained in paragraph 1 of this Article,

the Non-Least Developed Contracting States shall reduce their tariff to 0-5% for the products of Least Developed Contracting States within a timeframe of three years beginning from the date of coming into force of the Agreement.

Article 8
Additional Measures

Contracting States agree to consider, in addition to the measures set out in Article 7, the adoption of trade facilitation and other measures to support and complement SAFTA for mutual benefit. These may include, among others:

a) harmonisation of standards, reciprocal recognition of tests and accreditation of testing laboratories of Contracting States and certification of products;

b) simplification and harmonisation of customs clearance procedure;

c) harmonisation of national customs classification based on HS coding system;

d) Customs cooperation to resolve dispute at customs entry points;

e) simplification and harmonisation of import licensing and registration procedures;

f) simplification of banking procedures for import financing;

g) transit facilities for efficient intra-SAARC trade, especially for the land-locked Contracting States;

h) removal of barriers to intra-SAARC investments;

i) macroeconomic consultations;

j) rules for fair competition and the promotion of venture capital;

k) development of communication systems and transport infrastructure;

l) making exceptions to their foreign exchange restrictions, if any, relating to payments for products under the SAFTA scheme, as well as repatriation of such payments without prejudice to their rights under Article XVIII of the

General Agreement on Tariffs and Trade (GATT) and the relevant provisions of Articles of Treaty of the International Monetary Fund (IMF); and m) Simplification of procedures for business visas.

Article 9
Extension of Negotiated Concessions

Concessions agreed to, other than those made exclusively to the Least Developed Contracting States, shall be extended unconditionally to all Contracting States.

The initial notification shall be made within three months from the date of coming into force of the Agreement and the COE shall review the notification in its first meeting and take appropriate decisions.

Article 10
Institutional Arrangements

1. The Contracting States hereby establish the SAFTA Ministerial Council (hereinafter referred to as SMC).

2. The SMC shall be the highest decision-making body of SAFTA and shall be responsible for the administration and implementation of this Agreement and all decisions and arrangements made within its legal framework.

3. The SMC shall consist of the Ministers of Commerce / Trade of the Contracting States.

4. The SMC shall meet at least once every year or more often as and when considered necessary by the Contracting States. Each Contracting State shall chair the SMC for a period of one year on rotational basis in alphabetical order.

5. The SMC shall be supported by a Committee of Experts (hereinafter referred to as COE), with one nominee from each Contracting State at the level of a Senior Economic Official, with expertise in trade matters.

6. The COE shall monitor, review and facilitate implementation of the provisions of this Agreement and undertake any task assigned to it by the SMC. The COE shall submit its report to SMC every six months.

7. The COE will also act as Dispute Settlement Body under this Agreement.

8. The COE shall meet at least once every six months or more often as and when considered necessary by the Contracting States. Each Contracting State shall chair the COE for a period of one year on rotational basis in alphabetical order.

9. The SAARC Secretariat shall provide secretarial support to the SMC and COE in the discharge of their functions.

10. The SMC and COE will adopt their own rules of procedure.

Article 11
Special and Differential Treatment for the Least Developed Contracting States

In addition to other provisions of this Agreement, all Contracting States shall provide special and more favourable treatment exclusively to the Least Developed Contracting States as set out in the following sub-paragraphs:

a) The Contracting States shall give special regard to the situation of the Least Developed Contracting States when considering the application of anti-dumping and/or countervailing measures. In this regard, the Contracting States shall provide an opportunity to Least Developed Contracting States for consultations. The Contracting States shall, to the extent practical, favourably consider accepting price undertakings offered by exporters from Least Developed Contracting States. These constructive remedies shall be available until the trade liberalisation programme has been completed by all Contracting States.

b) Greater flexibility in continuation of quantitative or other restrictions provisionally and without discrimination in critical circumstances by the Least Developed Contracting States on imports from other Contracting States.

c) Contracting States shall also consider, where practical, taking direct trade measures with a view to enhancing sustainable exports from Least Developed Contracting States, such as long and medium-term contracts containing import and supply commitments in respect of specific products, buy-back arrangements, state trading operations, and government and public procurement.

d) Special consideration shall be given by Contracting States to requests from Least Developed Contracting States for technical assistance and cooperation arrangements designed to assist them in expanding their trade with other Contracting States and in taking advantage of the potential benefits of SAFTA. A list of possible areas for such technical assistance shall be negotiated by the Contracting States and incorporated in this Agreement as an integral part.

e) The Contracting States recognise that the Least Developed Contracting States may face loss of customs revenue due to the implementation of the Trade Liberalisation Programme under this Agreement. Until alternative domestic arrangements are formulated to address this situation, the Contracting States agree to establish an appropriate mechanism to compensate the Least Developed Contracting States for their loss of customs revenue. This mechanism and its rules and regulations shall be established prior to the commencement of the Trade Liberlisation Programme (TLP).

Article 12
Special Provision for Maldives

Notwithstanding the potential or actual graduation of Maldives from the status of a Least Developed Country, it shall be accorded in this Agreement and in any subsequent contractual undertakings thereof treatment no less favoumble than that provided for the Least Developed Contracting States.

Article 13
Non-application

Notwithstanding the measures as set out in this Agreement its provisions shall not apply in relation to preferences already granted or to be granted by any Contracting State to other Contracting States outside the framework of this Agreement, and to third countries through bilateral, plurilateral and multilateral trade agreements and similar arrangements.

Article 14
General Exceptions

a) Nothing in this Agreement shall be Construed to prevent any Contmcting State from taking action and adopting measures which it

considers necessary for the protection of its national security.

b) Subject to the requirement that such measures are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the similar conditions prevail, or a disguised restriction on intra-regional trade, nothing in this Agreement shall be construed to prevent any Contracting State from taking action and adopting measures which it considers necessary for the protection of:

(i) public morals;

(ii) human, animal or plant life and health; and

(iii) articles of artistic, historic and archaeological value.

Article 15
Balance of Payments Measures

1. Notwithstanding the provisions of this Agreement, any Contracting State facing serious balance of payments difficulties may suspend provisionally the concessions extended under this Agreement.

2. Any such measure taken pursuant to paragraph 1 of this Article shall be immediately notified to the Committee of Experts.

3. The Committee of Experts shall periodically review the measures taken pursuant to paragraph 1 of this Article.

4. Any Contracting State which takes action pursuant to paragraph 1 of this Article shall afford, upon request from any other Contracting State, adequate opportunities for consultations with a view to preserving the stability of concessions under SAFTA.

5. If no satisfactory adjustment is effected between the Contracting States concerned within 30 days of the beginning of such consultations, to be extended by another 30 days through mutual consent, the matter may be referred to the Committee of Experts.

6. Any such measures taken pursuant to paragraph 1 of this Article shall be phased out soon after the Committee of Experts comes to the conclusion that the balance of payments situation of the Contracting State concerned has improved.

Article 16
Safeguard Measures

1. If any product, which is the subject of a concession under this Agreement, is imported into the territory of a Contracting State in such a manner or in such quantities as to cause, or threaten to cause, serious injury to producers of like or directly competitive products in the importing Contracting State, the importing Contracting State may, pursuant to an investigation by the competent authorities of that Contracting State conducted in accordance with the provisions set out in this Article, suspend temporarily the concessions granted under the provisions of this Agreement. The examination of the impact on the domestic industry concerned shall include an evaluation of all other relevant economic factors and indices having a bearing on the state of the domestic industry of the product and a causal relationship must be clearly established between "serious injury" and imports from within the SAARC region, to the exclusion of all such other factors.

2. Such suspension shall only be for such time and to the extent as may be necessary to prevent or remedy such injury and in no case, will such suspension be for duration of more than 3 years.

3. No safeguard masure shall be applied again by a Contracting State to the import of a product which has been subject to such a measure during the period of implementation of Trade Liberalisation Programme by the Contracting States, for a period of time equal to that during which such measure had been previously applied, provided that the period of non-application is at least two years.

4. All investigation procedures for resorting to safeguard measures under this Article shall be consistent with Article XIX of GATT 1994 and WTO Agreement on Safeguards.

5. Safeguard action under this Article shall be non-discriminatory and applicable to the product imported from all other Contracting States subject to the provisions of paragraph 8 of this Article.

6. When safeguard provisions are used in accordance with this Article, the Contracting State invoking such measures shall immediately notify the exporting Contracting State(s) and the Committee of Experts.

7. In critical circumstances where delay would cause damage which it would be difficult to repair, a Contracting State may take a provisional safeguard measure pursuant to a preliminary determination that there is clear evidence that increased imports have caused or are threatening to cause serious injury. The duration of the provisional measure shall not exceed 200 days, during this period the pertinent requirements of this Article shall be met.

8. Notwithstanding any of the provisions of this Article, safeguard measures under this article shall not be applied against a product originating in a Least Developed Contracting State as long as its share of imports of the product concerned in the importing Contracting State does not exceed 5 percent, provided Least Developed Contracting States with less than 5% import share collectively account for not more than 15% of total imports of the product concerned.

Article 17
Maintenance of the Value of Concessions

Any of the concessions agreed upon under this Agreement shall not be diminished or nullified, by the application of any measures restricting trade by the Contracting States, except under the provisions of other articles of this Agreement.

Article 18
Rules of Origin

Rules of Origin shall be negotiated by the Contracting States and incorporated in this Agreement as an integral part.

Article 19
Consultations

1. Each Contracting State shall accord sympathetic consideration to and will afford adequate opportunity for consultations regarding representations made by another Contracting State with respect to any matter affecting the operation of this Agreement.

2. The Committee of Experts may, at the request of a Contracting State, consult with any Contracting State in respect of any matter for which it has not been possible to find a satisfactory solution through consultations under paragraph 1.

Article 20
Dispute Settlement Mechanism

1. Any dispute that may arise among the Contracting States regarding the interpretation and application of the provisions of this Agreement or any instrument adopted within its framework concerning the rights and obligations of the Contracting States will be amicably settled among the parties concerned through a process initiated by a request for bilateral consultations.

2. Any Contracting State may request consultations in accordance with paragraph 1 of this Article with other Contracting State in writing stating the reasons for the request including identification of the measures at issue. All such requests should be notified to the Committee of Experts, through the SAARC Secretariat with an indication of the legal basis for the complaint.

3. If a request for consultations is made pursuant to this Article, the Contracting State to which the request is made shall, unless otherwise mutually agreed, reply to the request within 15 days after the date of its receipt and shall enter into consultations in good faith within a period of no more than 30 days after the date of receipt of the request, with a view to reaching a mutually satisfactory solution.

4. If the Contracting State does not respond within 15 days after the date of receipt of the request, or does not enter into consultations within a period of no more than 30 days, or a period otherwise mutually agreed, after the date of receipt of the request, then the Contracting State that requested the holding of consultations may proceed to request the Committee of Experts to settle the dispute in accordance with working procedures to be drawn up by the Committee.

5. Consultations shall be confidential, and without prejudice to the rights of any Contracting State in any further proceedings.

6. If the consultations fail to settle a dispute within 30 days after the date of receipt of the request for consultations, to be extended by a further period of 30 days through mutual consent, the complaining Contracting State may request the Committee of Experts to settle the dispute. The complaining Contracting State may request the Committee of Experts to settle the dispute during the 60-day period if the consulting Contracting States jointly consider that consultations have failed to settle the dispute.

7. The Committee of Experts shall promptly investigate the matter referred to it and make recommendations on the matter within a period of 60 days from the date of referral.

8. The Committee of Experts may request a specialist from a Contracting State not party to the dispute selected from a panel of specialists to be established by the Committee within one year from the date of entry into force of the Agreement for peer review of the matter referred to it. Such review shall be submitted to the Committee within a period of 30 days from the date of referral of the matter to the specialist.

9. Any Contracting State, which is a party to the dispute, may appeal the recommendations of the Committee of Experts to the SMC. The SMC shall review the matter within the period of 60 days from date of submission of request for appeal. The SMC may uphold, modify or reverse the recommendations of the Committee of Experts.

10. Where the Committee of Experts or SMC concludes that the measure subject to dispute is inconsistent with any of the provisions of this Agreement, it shall recommend that the Contracting State concerned bring the measure into conformity with this Agreement. In addition to its recommendations, the Committee of Experts or SMC may suggest ways in which the Contracting State concerned could implement the recommendations.

11. The Contracting State to which the Committee's or SMC's recommendations are addressed shall within 30 days from the date of adoption of the recommendations by the Committee or SMC, inform the Committee of Experts of its intentions regarding implementation of the recommendations. Should the said Contracting State fail to implement the recommendations within 90 days from the date of adoption of the recommendations by the Committee, the Committee of Experts may authorise other interested Contracting States to withdraw concessions having trade effects equivalent to those of the measure in dispute.

Article 21
Withdrawal

1. Any Contracting State may withdraw from this Agreement at any time after its entry into force. Such withdrawal shall be effective on expiry of six months from the date on which a written notice thereof is received by the

Secretary-General of SAARC, the depositary of this Agreement. That Contracting State shall simultaneously inform the Committee of Experts of the action it has taken.

2. The rights and obligations of a Contracting State which has withdrawn from this Agreement shall cease to apply as of that effective date.

3. Following the withdrawal by any Contracting State, the Committee shall meet within 30 days to consider action subsequent to withdrawal.

Article 22
Entry into Force

1. This Agreement shall enter into force on 1st January 2006 upon completion of formalities, including ratification by all Contracting States and issuance of a notification thereof by the SAARC Secretariat. This Agreement shall supercede the Agreement on SAARC Preferential Trading Arrangement (SAPTA).

2. Notwithstanding the supercession of SAPTA by this Agreement, the concessions granted under the SAPTA Framework shall remain available to the Contracting States until the completion of the Trade Liberalisation Programme.

Article 23
Reservations

This Agreement shall not be signed with reservations, nor will reservations be admitted at the time of notification to the SAARC Secretariat of the completion of formalities.

Article 24
Amendments

This Agreement may be amended by consensus in the SAFTA Ministerial Council. Any such amendment will become effective upon the deposit of instruments of acceptance with the Secretary General of SAARC by all Contracting States.

Article 25
Depository

This Agreement will be deposited with the Secretary General of SAARC,

who will promptly furnish a certified copy thereof to each Contracting State. In witness whereof the undersigned being duly authorised thereto by their respective Governments have signed this Agreement.

Done In Islamabad, Pakistan, On This The Sixth Day Of the Year Two Thousand Four, In Nine Originals In The English Language All Texts Being Equally Authentic.

M MORSHED KHAN
Minister for Foreign Affairs
People's Republic of Bangladesh

NADO RINCHHEN
Officiating Minister for Foreign Affairs
Kingdom of Bhutan

YASHWANT SINHA
Minister of External Affairs
Republic of India

FATHULLA JAMEEL
Minister of Foreign Affairs
Republic of Maldives

DR BHEKH B THAPA
Ambassador-at-Large for Foreign Affairs,
His Majesty's Government of Nepal

KHURSHID M KASURI
Minister of Foreign Affairs
Islamic Republic of Pakistan

TYRONNE FERNANDO
Minister of Foreign Affairs
Democratic Socialist Republic of Sri Lanka.

✦ ✦ ✦ ✦ ✦

093. Additional Protocol adopted at the SAARC Summit on Regional Convention on Suppression of Terrorism.

Islamabad, January 6, 2004.

The Member States of the South Asian Association for Regional Cooperation (SAARC)

Mindful of the purposes and the principles of cooperation enshrined in the SAARC Charter and the Charter of the United Nations;

Recalling the declaration of the eleventh SAARC Summit adopted at Kathmandu on 6th January 2002;

Further Recalling that, at the Eleventh SAARC summit, the Heads of State or Government, reiterated their support to the United Nations Security Council Resolution 1373 of September 28, 2001 and affirmed their determination to re-double efforts collectively as well as individually, to prevent and suppress terrorism in all its forms and manifestations, including, by increased co-operation and full implementation of the relevant international conventions relating to terrorism to which they are parties and called on all Member States, inter-alia, to prevent and suppress the financing of terrorist acts by criminalizing the provision, acquisition and collection of funds for such acts;

Bearing in Mind the decision of the SAARC Council of Ministers at its Twenty Third session in Katmandu on 22nd August, 2002, wherein the Council mandated the preparation of an Additional Protocol to the SAARC Regional Convention on Suppression of Terrorism, recognizing importance of updating the Convention, in order to meet the obligations devolving in terms of Security Council Resolution 1373 (2001);

Have Agreed as follows:

Article 1
Objectives and Purposes

The purpose of this Additional Protocol is to strengthen the SAARC Regional Convention on Suppression of Terrorism, particularly by criminalizing the provision, collection or acquisition of funds for the purpose of committing terrorist acts and taking further measures to prevent and

suppress financing of such acts. Towards this end, State Parties agree to adopt necessary measures to strengthen co-operation among them, in accordance with the terms of this Additional Protocol.

Article 2
Relationship to SAARC Convention

This Additional Protocol supplements the SAARC Regional Convention on Suppression of Terrorism, done at Kathmandu on 4th November, 1987 (hereinafter referred to as the "1987 SAARC Convention"). The 1987 SAARC Convention and this Additional Protocol shall be read and interpreted together as a single instrument.

Article 3
Definitions

1. "Funds" mean assets of every kind, whether tangible or intangible, movable or immovable, however acquired, and legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such assets, including, but not limited to, bank credits, travelers cheques, bank cheques, money orders, shares, securities, bonds, drafts and letters of credit.

2. "Proceeds" mean any funds derived from or obtained, directly or indirectly, through the commission of an offence set forth in Article 4.

Article 4
Offences

1. Any person commits an offence within the meaning of this additional protocol if that person by any means, directly or indirectly, unlawfully and willfully, provides or collects funds with the intention that they should be used or in the knowledge that they are to be used, in full or in part, in order to carry out:

a) An act which constitutes an offence within the scope of and as defined in one of the treaties listed in the Annex to this Protocol: or

b) Any other act intended to cause death or serious bodily injury to a civilian, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a Government or an international organization to do or to abstain from doing any act; or

c) An offence within the scope of any Convention to which SAARC Member States concerned are parties and which obliges the parties to prosecute or grant extradition.

2 (a) On depositing its instrument of ratification, acceptance, approval or accession, a State Party which is not a party to a treaty listed in the annex may declare that, in the application of this Convention to the state party, the treaty shall be deemed not to be included in the annex referred to in paragraph 1, subparagraph (a). The declaration shall cease to have effect as soon as the treaty enters into force for the State Party, which shall notify the depositary of this fact;

(b) When a State Party ceases to be a party to a treaty listed in the annex, it may make a declaration as provided for in this article, with respect to that treaty.

3. For an act to constitute an offence set forth in paragraph 1, it shall not be necessary that the funds were actually used to carry out an offence referred to in paragraph 1, subparagraph (a) or (b).

4. Any person also commits an offence if that person attempts to commit an offence as set forth in paragraph 1 of this article.

5. Any person also commits an offence if that person:

(a) Participates as an accomplice in an office as set forth in paragraph 1 or 4 of this article;

(b) Organizes or directs others to commit an offence as set forth in paragraph 1 or 4 of this article;

(c) Contributes to the commission of one or more offences as set forth in paragraph 1 or 4 of this article by a group of persons acting with a common purpose. Such contribution shall be intentional and shall either:

i) be made with the aim of furthering the criminal activity or criminal purpose of the group, where such activity or purpose involves the commission of an offence as set forth in paragraph 1 of this article; or

ii) be made in the knowledge of the intention of the group to commit an offence as set forth in paragraph 1 of this article.

Article 5
Domestic Measures

States Parties, in accordance with the provisions of their respective Constitutions, shall endeavour to become Parties to the international instruments listed in the Annex to which they are not yet a Party.

Article 6
Liability of legal entities

1. Each State Party, in accordance with its domestic legal principles, shall take the necessary measures to enable a legal entity located in its territory or organized under its laws to be held liable when a persons responsible for the management or control of that legal entity has, in that capacity, committed an offence as set forth in Article 4. Such liability may be criminal, civil or administrative.

2. Such liability is incurred without prejudice to the criminal liability of an individual or individuals who have committed the offences.

3. Each State Party shall ensure, in particular, that legal entities liable in accordance with paragraph 1 above are subject to effective, proportionate and dissuasive criminal, civil or administrative sanctions. Such sanctions may include monetary sanctions.

Article 7
Measures to prevent, suppress and eradicate the financing of terrorism

1. State parties shall consider and take all practical measures at the national level, inter-alia by adapting their domestic legislation to prevent, suppress and eradicate the financing of terrorism, and for effective international cooperation with respect thereto including:

a) A comprehensive domestic regulatory and supervisory regime for banks, other financial institutions and other entities deemed particularly susceptible to being used for the financing of terrorist activities. This regime shall require banks and other financial institutions and other entities to utilize effective measures for the identification of customers, paying special attention to unusual or suspicious transactions and to report promptly to the Competent Authorities, all complex, unusual large transactions and

unusual patterns of transactions, which have no apparent economic or obviously lawful purpose;

b) Measures to detect and monitor movements across national borders, of cash, bearer negotiable instruments and other appropriate movements of value. These measures shall be subject to safeguards to ensure proper use of information and should not impede legitimate capital movements;

c) Measures of assistance in connection with criminal investigations or criminal proceedings relating to the financing or support of any act constituting an offence within the scope of the international instruments listed in Article 4 of this Additional Protocol, including assistance in obtaining evidence in their possession, necessary for the proceedings; and

d) Establishing and monitoring channels of communication between their competent agencies and services to facilities the secure and rapid exchange of information concerning all aspects of offences set forth in Article 4, within the conditions prescribed by domestic law.

2. Towards facilitating the above, each State Party shall consider measures to establish and maintain a financial intelligence unit to serve as a national center for the collection, analysis and dissemination of pertinent money laundering and terrorist financing information.

Article 8
Seizure and confiscation of funds or other assets

1. Each State Party shall take appropriate measures, in accordance with its domestic legal principles, for the identification, detection and freezing or seizure of any funds used or allocated for the purpose of committing the offences set forth in Article 4 as well as the proceeds derived from such offences, for purposes of possible forfeiture.

2. Each State Party shall take appropriate measures, in accordance with its domestic legal principles, for the forfeiture of funds used or allocated for the purpose of committing the offences set forth in Article 4 and the proceeds derived from such offences.

3. Each State Party concerned may give consideration to concluding agreements on the sharing with other State Parties, on a regular or case-by-case basis, of the funds derived from the forfeiture referred to in this article.

4. The provisions of this Article shall be implemented without prejudice to the rights of third parties acting in good faith.

5. The measures referred to in paragraph 1 shall apply with respect to offences committed both within and outside the jurisdiction of a State Party.

Article 9
Predicate offences to money laundering

1. State Parties shall take the necessary measures to ensure that its domestic money laundering legislation also includes as predicate offences those offences set forth in Article 4 of this Additional Protocol.

2. Money laundering predicate offences referred to in paragraph 1, shall include those committed both within and outside the jurisdiction of a State Party.

Article 10
Cooperation on immigration and customs controls

1. States Parties, consistent with their respective domestic legal and administrative regimes, shall promote co-operation and the exchange of information in order to improve immigration and customs control measures to detect and prevent the international movement of terrorists and their accomplices and trafficking in arms, narcotics and psychotropic substances or other materialist intended to support terrorist activities.

2. To this end, they shall promote co-operation and the exchange of information to improve their controls on the issuance of travel and identify documents and to prevent their counterfeiting, forgery, or fraudulent use.

3. Such co-operation shall be carried out without prejudice to applicable international commitments in relation to the free movement of people and the facilitation of commerce.

Article 11
Cooperation among law enforcement authorities

States parties shall work closely with one another, consistent with the respective domestic legal and administrative systems, to enhance the effectiveness of law enforcement action for the prevention, suppression and prosecution of the offences set forth in Article 4.

Article 12
Mutual legal assistance

The provisions of Article VIII of the 1987 SAARC Convention relating the Mutual Legal Assistance shall apply, mutatis mutandis, in respect of the offences set forth in Article 4 of this Additional Protocol.

Article 13
Extradition

The provisions of Article III of the 1987 SAARC Convention shall apply, mutatis mutandis, in respect of the offences set forth in Article 4 of this Additional Protocol.

2. The provisions of Article IV of the 1987 SAARC Convention relating to the duty to extradite or prosecute shall apply, mutatis mutandis, in respect of the offences set forth in Article 4 of this Additional Protocol.

Article 14
Exclusion of Fiscal Offence exception

None of the offences set forth in Article 4 shall be regarded, for the purpose of extradition or mutual legal assistance, as a fiscal offence. Accordingly, State Parties may not refuse a request for extradition or for mutual legal assistance on the sole ground that it concerns a fiscal offence.

Article 15
Exclusion of political offence exception

For the purpose of extradition or mutual legal assistance, none of the offences established in the international instruments set forth in Article 4, shall be regarded as a political offence or an offence connected with a political offence or an offence inspired by political motives. Accordingly, a request for extradition or mutual assistance may not be refused on the sole ground that it concerns a political offence or an offence connected with a political offence or an offence inspired by political motives.

Article 16
Denial of refugee status

Each State Party shall take appropriate measures, consistent with the relevant provisions of national and international law, for the purpose of

ensuring that refugee status is not granted to any person in respect of whom there are serious reasons for considering that he or she has committed an offence set forth in Article 4 of this Additional Protocol.

Article 17
Non-discrimination

None of the provisions of this Additional Protocol shall be interpreted as imposing an obligation to extradite or to provide mutual legal assistance, if the requested State Party has substantial grounds to believe that the request to extradite or to provide mutual legal assistance, has been made for the purpose of prosecuting or punishing a person on account of that person's race, religion, nationality, ethnic origin or political opinion, or that compliance with the request would cause prejudice to that person's position for any of these reasons.

Article 18
Principles of Sovereign Equality and Territorial Integrity

1. State Parties shall carry out their obligations under this additional protocol in a manner consistent with the principles of sovereign equality and territorial integrity of states and that of non-intervention in the domestic affairs of other states.

2. Nothing in this Additional Protocol entitles a State Party to undertake in the territory of another State Party exercise of jurisdiction or performance of functions that are exclusively reserved for the authorities of that other State Party by its domestic law.

Article 19
Rights and Obligations under International Law

Nothing in this Additional Protocol shall be interpreted as affecting other rights and obligations and responsibilities of states and individuals under international law, in particular, the purposes and principles of the Charter of the United Nations, international humanitarian law, and international human rights law.

Article 20
Technical Cooperation

State Parties shall promote, where appropriate, technical co-operation

and training programmes with other regional and international organizations conducting activities related to the objectives and purposes of this Additional Protocol.

Article 21
Consultations

State parties shall hold periodic consultations, as appropriate, with a view to facilitating:

a) The effective implementation of this Additional Protocol; and

b) The exchange of information and experiences on effective means and methods to prevent, detect, investigate and punish offences with in the scope of the Additional Protocol.

Article 22
Signature and ratification

This Additional Protocol is open for signature by all Member States of SAARC at the SAARC Secretariat in Kathmandu. It shall be subject to ratification. Instruments of Ratification shall be deposited with the Secretary-General of SAARC.

Article 23
Entry into Force

The Additional Protocol shall enter into force on the thirtieth day following the date of deposit of the seventh Instrument of Ratification with the Secretary-General of SAARC.

Article 24
Depositary

The Secretary-General of SAARC shall be the depositary of this additional protocol and shall notify Member States of signatures to this additional protocol and all deposits of Instruments of Ratification. The Secretary-General shall transmit certified copies of such instruments to each Member State. The Secretary-General shall also inform Member States of the date on which this Additional Protocol will have entered into force in accordance with Article 23.

IN WITNESS WHEREOF the undersigned, being duly authorized thereto by their respective Governments have signed this Additional Protocol.

DONE in ISLAMABAD, PAKISTAN, On This the Sixth Day of January Of the Year Two Thousand Four, In Nine Originals, In The English Language, All Texts Being Equally Authentic.

M. Morshed Khan
Minister for Foreign Affairs
People's Republic of Bangladesh

Nado Rinchhen
Officiating Minister for Foreign Affairs
Kingdom of Bhutan

Yashwant Sinha
Minister of External Affairs
Republic of India

Fathulla Jamell
Minister of Foreign Affairs
Republic of Maldives

Dr Bhekh B Thapa
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ANNEX[1]

a) Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague on 16 December 1970.

1. Not reproduced here.

b) Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 23 September1971.

c) Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, approved by the General Assembly of the United Nations on 14 December 1973.

d) International Convention against the Taking of Hostages, adopted by the General Assembly of the United Nations on 17 December 1979.

e) Convention on the Physical Protection of Nuclear Material, signed at Vienna on 3 March 1980.

f) Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on 24 February 1988.

g) Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation, done at Rome on 10 March 1988.

h) Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms located on the Continental Shelf, done at Rome on 10 March 1988.

i) International Convention for the Suppression of Terrorist Bombings, approved by the General Assembly of the United Nations on 15 December 1997.

j) International Convention for the Suppression of the Financing of Terrorism, approved by the General Assembly of the United Nations on 9 December 1999.

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094. Press conference by External Affairs Minister Yashwant Sinha and National Security Advisor Brajesh Mishra at the end of the SAARC Summit.

Islamabad, January 6, 2004.

Spokesperson: Very good afternoon to all of you, and welcome to this final briefing at the India Media Centre. We are privileged to have the Hon'ble Minister for External Affairs, Mr. Yashwant Sinha, and National Security Adviser, Mr. Brajesh Mishra, accompanied by the Foreign Secretary and High Commissioner, Mr. Menon. We will request the Hon'ble Minister to address the press and I would request your understanding in going by a list for the questions. Sir.

EAM: Thank you, Navtej. Friends, as Mr. Sarna has just mentioned to you, we are meeting you in this Centre at the conclusion of a very successful SAARC Summit. But I am here basically today to tell you about the outcome of the meeting that the Prime Minister of India had with President Musharraf of Pakistan yesterday. In their meeting yesterday, the two leaders had agreed on a certain course of action. That intent has now been reduced in the form of a Joint Press Statement which I shall read out to you now. But I would also like to take this opportunity to express my personal gratitude to the Foreign Minister of Pakistan, Mr. Kasuri, who will be meeting you in a little while from now, separately, to tell you more or less the same thing.

(....laughter from journalists..... attempts to come up with questions……)

EAM: If you had all agreed to ask your questions together, then we could have had the press conference together. But I am grateful to him for suggesting that I meet you first, and he will meet you later. I will read out the Joint Press Statement and we will be distributing the copies to you. So there is no excitement about recording everything that I am to state. The Joint Press Statement goes like this. The President of Pakistan and the Prime Minister of India met during the SAARC Summit in Islamabad. The Indian Prime Minister, while expressing satisfaction over the successful conclusion of the SAARC Summit, appreciated the excellent arrangements made by the host country. Both leaders welcomed the recent steps towards normalization of relations between the two countries and expressed the hope that the positive trends set by the confidence building measures would

be consolidated. Prime Minister Vajpayee said that in order to take forward, and sustain, the dialogue process, violence, hostility and terrorism must be prevented.

President Musharraf reassured Prime Minister Vajpayee that he will not permit any territory under Pakistan's control to be used to support terrorism in any manner. President Musharraf emphasised that a sustained and productive dialogue addressing all issues could lead to positive results to carry the process of normalisation forward. The President of Pakistan and the Prime Minister of India agreed to commence the process of the composite dialogue in February 2004. The two leaders are confident that the resumption of the composite dialogue will lead to peaceful settlement of all bilateral issues including Jammu and Kashmir to the satisfaction of both sides. The two leaders agreed that constructive dialogue would promote progress towards the common objective of peace, security and economic development for our peoples, and for future generations. This is the end of the joint press statement. But I would also like to mention to you that we have especially requested the National Security Adviser, Mr. Brajesh Mishra, to be here because we noticed that there was a lot of speculation about his presence here, so we thought he will be the best person to answer any questions that you might have. So please…., when you address us the questions, please keep that in mind. Thank you.

Q & A Session:

…..attempts to come up with questions….

NSA: Please address all your questions to the Minister..(laughs)

Question: One to the Minister. Could you tell us as to at what level the dialogue will proceed. There are reports that some special political representatives are to be appointed for initiating the dialogue process in Pakistan. Another…. to Mr. Mishra. There was a lot of speculation about, and hype about, your meetings with the reported meetings with ISI Chief. Would like to know the nature of the discussions with him.

NSA: Let me answer your question first. There was no meeting between me and the Director General of ISI. It is as simple as that.

EAM: No, but coming back to the question that you asked, for the level at which……..(in response to an inaudible supplementary question from the

audience) No I didn't. I am sorry, I didn't.

NSA: I will answer your questions about that later.

EAM: As I said in the statement, in the joint statement we have agreed to commence the process of composite dialogue in February 2004. The details have to be worked out.

JS (XP): Yes please.

Question: Saleh Jaffer, Daily Jang. Mr. Foreign Minister, now you have talked of commencement of the composite dialogue between India and Pakistan. India had been alleging that Pakistan is or was involved in cross-border terrorism. I wish to know whether are you satisfied that cross-border infiltration has been ceased one, and through you, I would like to ask Mr. Brajesh Mishra, since Mr. Mishra has asked not to pose him questions directly that did he meet the ISI Chief ever, was there any meeting with him in Washington in past ? Thank you.

EAM: I think Mr. Mishra has given a very effective and brief answer to the question that you have just addressed to him. As far as the question to me is concerned, I think the joint press statement says it all and I don't think it needs any further elaboration.

Question: I just want to know has the Pakistan Government been able to convince the Indian Government about its intention to dismantle the infrastructure of terrorism permanently. The other thing is who all Mr. Mishra has met during his stay here. Obviously he must have had some sight-seeing visits to Taxila and all. Besides that what all he has done ? If you could enlighten us on that. Thanks. (Saurabh Shukla, Hindustan Times).

NSA: So far as my meetings are concerned, I can tell you that since the first of this month I had several meetings to tie up the loose ends in regard to this joint press statement. I can tell you I met people, but I cannot disclose to you who. It is for the Pakistani side to disclose who my interlocutors were from their side. I cannot disclose that.

EAM: The other part I will again like to refer to you is to the joint press statement which as you can see, has been very carefully worked out by both sides. I think you will find all your answers there.

Question (to NSA): Have you been provided any proof by Pakistan Government to that effect ?

NSA: Of what?

Question: Of actually dismantling terrorist infrastructure because India has been insisting on firm action on the ground….

EAM: I have said if you look at this thing carefully, the statement, that …President Musharraf re-assured Prime Minister Vajpayee that he will not permit any territory under Pakistan's control to be used to support terrorism in any manner.

Question: Sir, first of all,…. I want to clarify. Are we talking about that just one meeting between President Musharraf and Prime Minister Vajpayee, or has there been another meeting of which we are talking. And to Mr. Brajesh Mishraji, you used…you were talking of tying up loose ends…. are you satisfied that loose ends have been securely tied by now ?

EAM: As far as the first part of the question is concerned, there was one meeting yesterday. There has been no further meeting. Prime Minister Vajpayee spoke to President Musharraf on the telephone after the conclusion of the SAARC Summit, and personally thanked him for what is stated here in the statement, namely for the successful conclusion of the SAARC Summit, and for all the arrangements that have been made for the Indian delegation and for him.

JS(XP): One from the TV…up there…yes, Deepak.

Question: *When you were coming To Pakistan you were asked; what type of discussions will take place there? India's stand was quite clear. How do you look at the discussion that have taken place? Has the discussions moved forward? Whether this composite dialogue will go to the highest level?* (Deepak Chaurasia - Doordarshan)

EAM: *Please keep one thing in mind. What ever we have said we have ensured that we make our point at the appropriate time. Despite curiosity in the media we ensured that what we said was when it was appropriate to say it. Things are now settled. What ever we are saying now before,, as MR. Mishra has said, after tying all the loose ends. Please keep this in mind. I am saying all this before you with complete honesty and sincerity and very*

bluntly. As I said yesterday, it is always appropriate to some thing when it time has come. Right thing at the right place and at the right time. *We have never tried to indulge in speculation. We want to anticipate things. This shall be our attitude in the future also.*

Question: India's stand up to now was that the dialogue would resume only when violence ended, that was seen as a precondition. Are you satisfied that the levels of violence have come down sufficiently for you now to resume the composite dialogue next month, and is the assurance that President Musharraf has given you you believe credible enough for you to resume that dialogue next month ? (Rajdeep Sardesai, NDTV)

EAM: I think once again I like to refer you to the statement. Once it is in your hands you will see that everything is falling in place. That there is an assurance, (that) there is a certain situation on the ground, and we are proceeding on the basis of the assurance and the ground situation as we see it.

EAM: (in response to another inaudible question) There would not be no joint press statement if there was no such satisfaction.

JS(XP): A question from the Pakistani press.

Question: Mr. Sinha, this is with reference to the Additional Protocol signed today with regard to the suppression of terrorism. If I am not wrong, there is a big difference on the definition of terrorism between these two countries, particularly in Kashmir. I would like to ask that have you changed your stance of this very definition ?

EAM: The definition of terrorism is not a relevant question. In this context, the definition of terrorism is being discussed in the international context. In the Additional Protocols, we have only reflected the developments which have taken place at the international level with regard to the war against terrorism, in multilateral protocols, (the) UN Conventions, UN Security Council Resolutions which have been adopted after 1987. Those obligations have been assumed by the member-States in terms of the international obligations, in the context of SAARC, and in the context of the obligations already assumed through the 1987 Agreement.

JS (XP): Amit. Excuse me…there is question here. Yes Amit.

Question: I have question for Mr. Sinha, and Mr. Mishra as well. Mr. Sinha, Pakistan's concerns on Kashmir….we had a bilateral dialogue, a structured dialogue, from 1997 onwards. It was Pakistan which interrupted that bilateral dialogue saying that not enough progress has been made on Kashmir, and that has been the stumbling block in the past also. Is there a via media now by which we can bypass this possible hurdle in the future? And my question to Mr. Mishra relates to the kind of terrorist threat that we have been facing is well known to us. And you have repeatedly talked about this issue also from time to time. Do you believe now that in case there is an attack or an incident in India, there will be help forthcoming from the Pakistani side to India ? (Amit Baruah, *The Hindu*)

EAM: As far as the first part of the question is concerned, yes, you are right. The dialogue was interrupted. And therefore, you will find that we used the expression in order to take forward, and sustain, the dialogue process…And then we referred to the composite dialogue. So therefore, all this has been expressed in the language in which it should be expressed in the joint statement.

JS (XP): Mr. Bokhari.

Question: The first part of the…..

EAM: There was a second part to this question for Mr. Mishra.

NSA: Amit…as we proceed along the lines of this draft statement, and there is normalisation of relations between our two countries, and the dialogue process moves forward, there is certainly the possibility indeed the likelihood, of cooperation between the two countries to fight terrorism together. I am sure the Minister would have said it but I think I should say. Please don't look at this document as a victory for one side or the other. It is a victory for peace and prosperity, for the people of India and Pakistan, and South Asia. It's a…in my view… its a win-win situation for all of us.

JS (XP): ……Excuse me….. one question from the International Press… Padma.

Question: According to the statement Mr. Sinha you say that after the composite dialogue in February 2004, you hope it will lead to a settlement of all issues quote unquote including J & K, to the satisfaction of both sides. To what extent you envisage a participation of the various fora of Kashmiri

people who themselves would like to be a part of any discussion on the future of Kashmir ? (Padma Rao).

EAM: I think the statement is quite clear on that, and I will stick to the language of the statement.

JS (XP): Earlier I had called on Mr. Bokhari.

Question: I am Farhan Bukhari, sir. I have got a question for Mr. Mishra, and a subsequent question for Mr. Sinha. Mr. Mishra, you just said that there is a likelihood of cooperation in fighting terrorism in future. But given what you said on…. (NSA interjects to say "I am sorry..I stated certain conditions which will lead to that)…but that is all in future. Returning from your trip to Pakistan, are you carrying back any assurances of intelligence cooperation and intelligence sharing which is to going to begin in the near future so that some of your concerns are addressed.

NSA: I have not talked to any intelligence people here.

Farhan Bokhari: Well I did not say…

NSA: I did not say intelligent people, I said intelligence people.

(….laughter all around…)

Farhan Bokhari: …But you talked to officials here. My question is that are you carrying back any assurances, and the question for Mr. Sinha, you said the composite dialogue begins next month. Could you tell us whether it could be initiated at the bureaucratic level, Foreign Secretary, or it would go straightway to the political level ?

EAM: I will again like to draw your attention to the language in the joint press statement. We are saying agreed… the two leaders agreed, to commence the process of the composite dialogue in February. And I also say in response to a question, that the details of the process of the composite dialogue have still to be worked out.

Question: *Relations between India and Pakistan are improving. A lot of news appear that there are Indian prisoners who have completed their period of sentence, yet there are held up in prisons here. Similarly there are Pakistani prisoners in India, particularly in Indian Punjab who have completed their sentences, but are still help up. Would you do some thing*

for them also?

EAM: *You have asked a very good question. You are aware we are constantly been worried about this problem. We know that only recently Supreme Court has also intervened in this and ordered the release of quite a few prisoners. It shall be our endeavour that those who have completed their sentences are sent to each other countries. Even those who are undergoing their sentences, but if on humanitarian consideration it is necessary to reconsider their cases, this should be done. We shall take up such issues with Pakistan also.*

Question: Sir, in the statement it has been said that President Musharraf said that no terrorist activity would be allowed from areas controlled by Pakistan. Does it mean that the areas that Pakistan refers to as Azad Kashmir would continue to or would have the possibility of such activities being carried out from them ? (Bharat Bhushan)

EAM: No, I think…..the language again….. Bharat, it is very clear ! He agreed that he will not permit any territory under Pakistan's control to be used to support terrorism in any manner. I think it's expressed in very simple, and not complex, English.

Question: This dialogue is going to be un-conditional? (Pakistani Journalist)

EAM: Whatever is the context of the resumption of the process is already stated in the joint press statement and I would like to reiterate what Mr. Mishra said a little while ago. I think that it is the responsibility of all of us, not merely those of us who are sitting here, or those who are going to address press conference at 2.30, it is the responsibility of all of us to help the process move forward, and the spirit in which this whole thing should be taken should be clearly understood. And we only expect to move forward from here. Thank you.

JS(XP): Thank you sir. Thank you very much.

{The text in italics is translated from Hindi text}

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095. Speech by Foreign Secretary Shashank at the inaugural session of the SAARC Inter-Governmental Expert Group meeting on Investment, Avoidance of Double Taxation and Trade Arbitration.

New Delhi, March 22, 2004.

Distinguished delegates, ladies and gentlemen,

It gives me immense pleasure to address this Meeting of the SAARC Inter-Governmental Group of Experts on Investment, Arbitration and Avoidance of Double Taxation. The successful conclusion of the Agreement on SAFTA at the recently concluded SAARC Summit in Islamabad (4-6 January 2004) was a landmark achievement and sent a clear signal of the strong commitment of the Member States to forging closer economic ties. The Summit mandated this Meeting with a view to building on the positive momentum generated and to consolidate the expected gains from the introduction of a Free Trade Area in January 2006.

2. At the SAARC Summit in Islamabad, the Hon'ble Prime Minister of India had stated the following and I quote " The development of greater economic stakes in each other would naturally result in greater sensitivity to the concerns of each other. This would pave the way for the more ambitious – but entirely achievable – goals such as a Free Trade Area, an Economic Union, open borders and a common currency for our region." You would recall that H.E. Shri Yashwant Sinha, External Affairs Minister of India, has on several occasions' publicly expressed India's desire for SAARC to advance quickly to a Customs Union. We strongly believe that if SAARC is to make a difference to the lives of the common people of our region it is important to register early progress in the area of economic cooperation.

3. The hectic pace of globalization, the stakes involved for the region in the multilateral trade negotiations, and, the rush of bilateral and regional trading agreements being entered into worldwide, make it imperative for us in SAARC to deepen and widen the pace of our economic integration. We have the potential, talent and resources to make South Asia an economic powerhouse of the world. We must, therefore, seize the moment or else be content with being marginal players on the world stage.

4. We are aware that a lot of spadework would need to be done for

creating an enabling economic environment for ensuring the success of economic integration. In this context, the importance of trade facilitation measures cannot be over-emphasized. India would also be hosting other meetings of the relevant SAARC bodies on Standards, Quality Control, Measurement as well as Customs Cooperation in the next few months. Today's Meeting will deliberate on three important areas of trade facilitation and would hopefully reinvigorate the discussions that had commenced some years ago.

5. We are all agreed that foreign direct investment is an important means of integrating our economies with each other's as well as international markets thus contributing to greater economic development. Investment and trade liberalization will provide greater freedom to the business-persons from the region to organize their production activities across borders seeking areas of comparative advantage. The resulting transfer of technology and know-how would also be of benefit to recipient Member States. There will be plenty of investment opportunities with liberalization of intra-SAARC trade in goods and hopefully in the area of services as well in the near future.

6. The deliberations on investment regime should, therefore, be forward-looking, taking cognizance of recent changes. It should be conducive to promotion of intra-SAARC private investment flows and should increase the competitiveness of the SAARC region by evolving coordinated investment promotion programmes and regional approach to investments.

7. Our growing inter-regional trade and economic inter-dependence calls for a multilateral tax treaty for the region. It would offer greater and more comprehensive protection and provide relative legal certainty to investors as regards their tax status. This should eventually lead to the creation of new business opportunities.

8. Similarly, a mechanism for settlement of investment disputes at the regional level would serve as one of the means of attracting foreign investment in the SAARC region.

9. I am confident that your negotiations here will hasten the reaching of agreements on the issues before you which will then enable the business community of the region to take full advantage of SAFTA that will enter into

force on 1st January, 2006. It will also ensure equitable distribution of benefits of intra-regional trade to all Member States.

Let me wish you all very intensive and productive deliberations.

Thank you.

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096. Media briefing by Official Spokesperson on the 25th meeting of the Council of Ministers of SAARC Countries.

Islamabad, July 21, 2004.

The Twenty-fifth Meeting of Council of Ministers of SAARC was inaugurated on 20th July, 2004 by Pakistan Prime Minister H.E. Mr. Shujat Hussain. This was preceded by a two-day meeting of the Standing Committee, headed by Foreign Secretaries, and an earlier Programming Committee.

At the Council of Ministers, issues discussed related to Poverty Alleviation, establishment of a free trade area in SAARC (SAFTA), cooperation in matters relating to terrorism, energy, biotechnology, environment and communications. Discussions were also held on the SAARC Poverty Alleviation Fund, towards which India had agreed at the Twelfth Summit in January 2004 to contribute US$ 100 million to be deployed for projects outside India. India's offer to additionally finance the feasibility studies for undertaking projects under the Fund was warmly welcomed by the SAARC members.

At the Council of Ministers meeting, India made the following significant proposals:

i) Setting up of South Asian Parliamentary Forum: India sought to set up a South Asian Parliamentary Forum to deliberate on issues pertaining to regional cooperation endeavours under SAARC, and offer to host the next meeting of the Forum.

ii) Establishment of a SAARC High Economic Council formed with the Finance and Commerce Ministers of the SAARC Member Countries to

promote ideas and initiatives related to regional economic integration in economic, trade, financial and monetary areas.

iii) Setting up of a SAARC Infrastructure Fund, which could have a corpus of about US$ 10 billion, to fund major infrastructure projects in the region.

iv) Setting up of National Committees in member countries mandated to monitor and devise programmes to implement the goals of the SAARC Social Charter, as well as consult with each other to promote collaborative Poverty Alleviation Projects, including under the SAARC Poverty Alleviation Fund.

v) As part of the SAARC Awareness Year for TB and HIV/AIDS, the Council decided to give SAARC Youth Award for "Dedicated Community Services" in the field of TB and/or HIV/AIDS. India offered to host a meeting this year of experts and community workers, train paramedics from the SAARC countries, and also offer to send medical vans and mobile awareness units to each of the SAARC countries.

The above proposals were endorsed by other countries.

The Standing Committee, held earlier, welcomed India's offer to provide training programmes in the field of statistics. The Committee welcomed India's offer to host activities this year and early next year for enhancing regional cooperation for sports and youth.

All SAARC member countries emphasized the need to put an end to the scourge of terrorism and welcomed the offer of Bangladesh to host a Ministerial Meeting on cooperation among SAARC countries on combating terrorism and transnational crimes.

India made a strong statement that it was time that SAARC departed from its endless round of meetings, seminars, and conferences, and moved to collaborative projects that brought tangible results to our peoples.

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097. Remarks by External Affairs Minister K. Natwar Singh at the 25th session of the SAARC Council of Ministers.

Islamabad, July 21, 2004.

I would like to take this opportunity to thank the Foreign Minister of Pakistan for the warmth and cordiality of the welcome extended to me, and congratulate him on his election as Chairman of the Council of Ministers. Under his able stewardship, we are confident that the meeting would be productive and fruitful.

I have had the good fortune to be associated with SAARC from its very inception in 1985. Long before SAARC was formed, the process of regionalism in Asia began with the holding by Pandit Nehru of the First Asian Relations Conference in Delhi in March 1947, five months before India's Independence. That conference spoke of the spirit of Asian solidarity against colonialism and its legacy of poverty, disease and economic backwardness.

Excellencies, SAARC will soon be celebrating the 20th year of its existence and a new cycle of Summits will commence with the forthcoming Dhaka Summit. The new millennium is an age of uncertainty, an era of painful contradictions and enigmatic paradoxes. The pace of the technological change is continually accelerating bringing in its wake a more globalized world, a world where nation states and national boundaries have ceased to provide the luxury of relative isolation and autonomy to countries. We wish to preserve our independence as sovereign states and yet our actions invariably and increasingly impact on others. Thanks to ease of travel and the explosion in communication technology, there are millions of people moving across the globe as merchants, pilgrims and tourists. They are interacting with one another on a scale unprecedented in history. In some ways this is leading to greater international understanding, a richer and more varied world culture, and an intensely more creative interchange of ideas.

At the same time, however, globalization is also generating fears of losing one's distinctive identity, of being submerged by more powerful and technologically advanced societies. This has spawned the assertion of sub-nationalism and ethnic exclusivity. The more we are bound together by the

intricate web created by technologies, the greater the need for mutual understanding and tolerance.

But this is also an age where assertion of identity, whether ethnic, religious or ideological, continually challenges the emergence of a new international order that seeks to reconcile the daily conflict of values, for example, between liberty on the one hand and equality on the other, between the principle of justice and the quality of compassion, and the pursuit of progress with the need for a sustainable environment.

South Asia is not immune to this over-arching dynamic of conflict. We see this within our countries; we see this in the relations amongst us. But what has been since the very inception of our Association, and in fact, the rationale behind its creation, is that we would be ill-equipped to confront these multiple challenges unless we confront them together. We are, in reality, a primary circle of cooperation that must function within concentric and ever expanding circles of cooperation, which then will add up to a global response to global challenges. Why do we consider ourselves as a primary circle of cooperation?

At a basic level, we consider ourselves, historically, culturally and in terms of civilizational values, as sharing a common ethos. And because we share a common ethos, we believe in a shared destiny for our peoples. In the 20 years of our existence, we have repeatedly re-affirmed our belief in this shared destiny. We have attempted to articulate a common vision which our people can relate to and which reflects their aspirations in a vastly changed and changing regional and global environment.

And yet, we must acknowledge with a sense of disappointment that SAARC is today perhaps the weakest of various regional cooperation organizations. It has articulated several plans for giving substance to its vision of shared prosperity, drawing upon its enviably rich storehouse of both human and material assets. The bitter truth is that in the last twenty years, we have not been able to undertake even a single collaborative project for the benefit of our people. Worse, we have taken recourse to an endless cycle of meetings, of workshops, seminars and study after erudite study, creating an illusion of activity, but avoiding the actual execution of any collaborative project. We advocate the SAARC's association with countries and agencies outside the region. We welcome the prospect of projects in cooperation with them, but shy away from undertaking these projects ourselves.

My delegation believes that the time has come for us to confront this reality soberly and honestly. Do we really believe in a shared destiny and a common vision for our peoples of South Asia, or are we content with a mere declaration of such intent? Are we prepared to work together on the common challenges that we face both as a region and globally, for example, the scourge of AIDS, the phenomenon of terrorism, the mastery of new technologies and meeting the aspirations of our youthful populations who demand education, employment opportunities and a life of dignity?

Mr. Chairman, as we approach the landmark Summit in Dhaka next year, we need to shed our tendency to equate meetings, activities and establishment of expert groups with progress. I understand that in the coming year, we shall be busy with nearly 140 different SAARC meetings. Is this how we wish to commence the new cycle of Summits? Our delegation believes that we need to fashion an agenda that is in tune with the challenges we face in the new millennium, and resolve to collaborate together on practical and concrete projects in pursuit of that agenda.

Excellencies, our delegation has made a number of recommendations in order to give substance to our pledges of regional cooperation. Some of these figure in the Report of the Standing Committee. Others are being brought before you at this meeting. One major area of focus for our region is the goal of poverty alleviation leading to the complete elimination of poverty in our countries. The National Common Minimum Programme of my government has made poverty alleviation its principal focus. We have enunciated targets in areas such as employment, health, education, empowerment of women, food and nutrition, in order to enhance the welfare and well being of the people of India. It is in this spirit that India would like to promote SAARC cooperation in collaborative projects for Poverty Alleviation.

The South Asian Poverty Alleviation Fund for which India has offered US $ 100 million could help us to embark on the first collaborative projects for poverty alleviation. At the same time, we would need to look at means to replenish this Fund so that poverty alleviation schemes remain at the forefront of SAARC activities in the coming decade.

Some of the countries in this region are already enjoying benefits of enhanced trade and commercial contacts flowing from bilateral Free Trade Agreements. The success of these agreements has prompted us to explore

new regional dimensions of economic cooperation beginning with a liberalization of trade in goods and proceeding to trade in services, common investment and currency areas and integrated capital markets all of which would lead to a paradigm shift in the nature economic interaction in this region.

It is our belief that SAFTA will be the first successful step in this path of economic integration. What we in SAARC decide today will determine how we achieve our objective of moving towards a South Asian Economic Union by 2020. In this context I would recommend that the Report of SAARC Eminent Persons' Group of 1998 be considered as the roadmap to be followed.

We also feel that we should set up a SAARC High Economic Council formed of the Finance and Commerce Ministers of our member countries. This Council could promote collaborative ideas and initiatives in economic, trade, investment, financial and monetary areas. We have recommended the setting up of this Council and trust that Excellencies will endorse the proposal.

Infrastructure development is the key to economic growth and poverty alleviation. A SAARC Infrastructure Fund with a ready and substantial corpus will make us more ready to embark on high priority energy, communications, and transportation projects which will link our economies together.

Globally, the scourge of terrorism is plaguing many a nation. I am happy to note that as early as 1987, we concluded an agreement for Suppression of Terrorism. The Additional Protocol to the Convention on Suppression of Terrorism reaffirms our commitment to end terrorism. What we need to do collectively in SAARC is to move towards closer cooperation at all levels, political, official and operational, if we have to eradicate terrorism from this region.

In the shaping of a common South Asian identity, our Parliamentarians can play a useful role by bringing into SAARC processes, the views of the people they represent. I would, therefore, like to propose the setting up of a SAARC Parliamentary Forum that could meet periodically to deliberate on issues relevant to our regional cooperation endeavours.

In the same spirit of promoting greater interaction among peoples of

our countries, we have recommended exchanges among academics and among youth. We are gratified that this has been endorsed at the Standing Committee. India is willing to take the lead in initiating such exchanges during the current year itself.

Excellencies, we stand at a critical juncture when decisions we take and equally the decisions we avoid, will determine whether the peoples of South Asia emerge as the makers of history or are condemned to be its victims. The citizens of our countries, whether at home or abroad, are often the creative genius behind many of the cutting-edge technologies that are transforming the world. Individually, each of our countries are acknowledged as pioneers in several significant areas of human endeavour. Think of the immense surge of productive energy that could be generated, for the benefit of our people, if we could bring the prodigious talents of our people together in a shared pursuit of prosperity and well-being of the 1.4 billion people who live in this vast subcontinent.

Let us resolve today to grasp the opportunity that history has presented us, to realize the dreams we have nourished for decades, for the true emancipation of our people. The Twelfth Summit brought a new sense of hope and optimism to our people that at last SAARC was on the threshold of a new tomorrow. Our work in the Council of Ministers that the Summit at Dhaka, where SAARC was born twenty years ago, witnesses a new dawn of Partnership for Prosperity in our region.

Mr. Chairman, it remains for me to thank the Government and people of Pakistan, and Your Excellency in particular, for the exceptional courtesy and warm hospitality extended to my delegation ever since our arrival in your beautiful capital city. I have no doubt that under your wise and sagacious leadership, the Council of Ministers will achieve outstanding success in fulfilling the historic mandate that has devolved upon it. I would also like to thank all my colleagues, H'ble Ministers, for their kind attention. I pledge to work together with them in the realisation of our common goals.

Thank You.

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098. Statement by External Affairs Minister K. Natwar Singh on departure from Islamabad after attending the SAARC Council of Ministers' meeting.

Islamabad, July 23, 2004.

Please see Document No. 135.

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INDIA'S FOREIGN RELATIONS - 2004

Section - V
South Asia

(ii) Countries of the SAARC Region

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BANGLADESH

099. Address by Foreign Secretary Shashank at the Luncheon meeting arranged by Federation of Bangladesh Chambers of Commerce and Industry.

Dhaka, March 10, 2004.

Mr. Abdul Awal Mintoo, President, Federation of Bangladesh Chambers of Commerce & Industry

Distinguished Guests

Ladies and Gentlemen,

I am delighted and honoured to be present here this afternoon amidst the doyens of Bangladesh trade and industry and other distinguished invitees. I would like to thank the Federation of Bangladesh Chambers of Commerce and Industry for organizing this luncheon and for giving me an opportunity to interact with you.

This is my first visit to Bangladesh and I have come with an open mind to familiarize myself with your country and hear your views on how to bring our two countries closer in today's globalised world. I have had useful meetings with the leadership of your country and senior officials and also met a wide cross-section of people from all walks of life.

I have been overwhelmed by the goodwill shown to me and towards India. I assure you that this is reciprocated by the people and government of India. I am convinced that our task to harness this goodwill among the people on both sides for our mutual benefit should start now and in full measure.

Bangladesh has made considerable progress in the last few years. The present economic growth rate of 5.7%, mounting foreign exchange reserves, buoyant exports, sound fundamentals, all serve to underline the distance Bangladesh has traveled towards the road to prosperity. The huge success of the readymade garments industries in Bangladesh, especially as the largest foreign exchange earner for the country, is indeed an inspiration to many other countries in the world. Your Grameen Bank scheme has been identified by SAARC as one of the 'Best Practices' in the region to remove poverty and fulfill the aims of the SAARC Social Charter.

Our unique shared history and culture as well as geographical proximity bind us together. Our common boundary of 4096 kms is the longest that India has with any of its neighbours. Our people-to-people contact is close and intense - the Indian High Commission issued nearly 400,000 visas last year to Bangladeshis for all purposes - tourism, business, medical treatment, education and pilgrimage. These commonalities and close interaction provide a strong bedrock for our rich and dynamic relationship.

Bangladesh is also our closest trade and economic partner in the region. India is the 10th largest investor in Bangladesh with a total investment registered with the Board of Investment of US$ 330 million. There are 29 Indian joint ventures in Bangladesh and seven wholly owned subsidiaries in such areas as textiles, construction industry, chemicals, information technology and automobiles. Our companies are also involved in some infrastructure areas in Bangladesh. A technical team from India is expected to visit Dhaka shortly to discuss the terms and conditions of a new credit line, denominated in U.S. dollars.

Coming to our bilateral trade, India is the largest trading partner of Bangladesh with 14.3% of its imports. It is particularly heartening to note that during 2002-2003, Bangladesh's exports to India grew from US$ 50 million to US$ 84 million, registering a record increase of 67%. Obviously, the duty concessions given by India both bilaterally and under SAPTA, are beginning to bear fruits. In fact, it is remarkable that nearly 70% of Bangladesh's exports to India avail of these trade concessions. Amongst all countries India offers the widest range of trade concessions to Bangladesh. It grants tariff concessions ranging from 50 to 75% on about 2600 tariff lines and duty free concessions on 79 items.

We are alive to Bangladesh's concern regarding bilateral trade deficit and its desire for expanding its exports to India since the best relationship is the one that provides win-win situation for both partners. However, it must be considered that apart from India, Bangladesh has an adverse trade balance with all SAARC countries (except Maldives) and ASEAN members and a much bigger trade deficit with China.

It is perhaps not so widely known that most of the Indian exports are essential in nature. Nearly 80% of Bangladesh's imports from India are, in fact, food-grains and fruits, construction materials such as stone and clinker, raw materials such as chemicals, yarns and fabrics for Bangladesh's

garment industry and, very recently, diesel and kerosene. As part of the Asian Clearing Union mechanism, Bangladesh also benefits from the bi-monthly settlement of dues, thus obtaining an informal credit facility which is advantageous to it.

I note with great disappointment that unlike the regular flow of Indian business delegations to Bangladesh for periodic fairs, buyer-seller meets, etc., the reverse flow of Bangladeshi delegations to India is minimal despite geographical proximity and commonality of interests. During 2003, Bangladeshi trade participation in India was limited to just one fair in Kolkata. The delegations mounted by trade bodies in Bangladesh have been very few and far between. To encourage Bangladeshi exports to India, FBCCI could perhaps consider opening an office in India for which, I am sure, CII would be happy to render necessary assistance.

Let me now turn to the complaints of para-tariff and non-tariff barriers. We have expressed our readiness to address these issues to our mutual satisfaction as early as possible.

We recognize your concern regarding the issue of anti-dumping duty on Bangladesh lead acid batteries. Anti-dumping proceedings were not initiated by the Government of India but they were of a quasi-judicial nature. Moreover, these duties were imposed not only on lead acid batteries imported from Bangladesh, but also from China, Korea and Japan. I understand the Indian and Bangladesh Missions to WTO in Geneva are presently having preliminary consultations in the matter. This process would take up to 18 months. However, the Indian Government would be willing to find a diplomatic solution to the problem.

I am also conscious of the desire of Bangladesh's business community for exploiting the vast trade and investment opportunities that sub-regional cooperation offers to our two countries. We on our part have been making sustained efforts in promoting economic linkages of Bangladesh with the neighbouring States of India through a variety of steps. It is heartening to note the Dhaka Chamber of Commerce & Industry has mounted a 20-member delegation to participate in the Tripura Commerce & Industry Fair organized in Agartala on 6th March 2004. We would like to see more such participation by Bangladesh in Trade Fairs all over India.

You will agree with me that for trade and commerce to flourish, we

should improve transport and communication linkages. Both sides need to encourage more international bus services on the lines of existing Dhaka-Kolkata and Dhaka-Agartala bus services, better tele-communication links, movement of people across border through liberalized visa regime and removal of delays in the banking sector and L/C verifications.

I would like to take this opportunity to inform this gathering that Indian authorities are already working on a project to develop six Land Customs Stations (LCSs) including Petrapole, Dawki, Sutarkhandi and Agartala. An Indian delegation led by Additional Secretary, Ministry of Commerce & Industry held a meeting with senior officials from the Bangladesh side at Petrapole-Benapole border on 10th December 2003 and identified ways and means to improve the functioning of the Land Customs Stations on India-Bangladesh border. The second meeting of the Joint Group of Customs, which has been constituted to sort out field-level problems on the two sides, is due in New Delhi on 16-17 March 2004.

We have just been witness to a historic SAARC Summit in Islamabad, which will hopefully herald a new chapter in regional cooperation. Intra-SAARC regional trade stands at 5 per cent, against intra-EU regional trade of 65 per cent. Average per capita income of 1.3 billion people in the region is US$ 460 against world average of US$ 7,000/-. There is, therefore, a lot of catching up to do if South-Asia is to become a force on the global stage. Considering the close association of Bangladesh with the birth of SAARC, I am sure Bangladesh would be second to none in rejoicing at the prospect of SAARC being finally on the verge of achieving the promise it has long held but has rarely fulfilled.

As the Indian Prime Minister Mr. Atal Behari Vajpayee said, it is necessary to move from the realm of ideas to plans of action. The Social Charter that has been finalized during the SAARC Summit will provide a road map for collective struggle against poverty. Our PM has also called for a professionally managed Poverty Alleviation Fund, which can finance specific poverty alleviation programmes and projects in our countries. We have also offered an initial contribution of US$ 100 million which would be utilized for poverty alleviation projects in the region, but outside India.

The conclusion of a framework agreement for SAFTA is a very timely development and is in line with the general developments around the world where countries are increasingly looking towards FTAs as instruments for enhancing trade and market access with other countries. India has also

offered to sign a bilateral Free Trade Agreement with Bangladesh. The BIMSTEC FTA was signed in February 2004 in Thailand. Bangladesh is likely to join it in July this year to get benefits of duty free imports within one year of operation of this Free Trade Agreement.

Friends, it is said that those who do not learn from history are condemned to repeat it. We need to learn appropriate lessons from the experience of Europe, which, after centuries of bloodshed and fratricidal war, has emerged as a powerful economic and political grouping. Our PM has envisioned goals for the region such as an Economic Union, free movement of goods and of people and a common currency unit for the region. These are not new ideas, but have origin in the proposals by a group of Eminent Persons appointed by the SAARC summit in 1997 to draw up a vision for SAARC beyond 2000. The group advocated a three-stage roadmap with a built-in timetable involving creation of SAFTA to be followed by a Customs Union and subsequently an Economic Union - by 2020. They are also not flights of fantasy but entirely achievable objectives provided we move from present discord to mutual trust and harmony. As the largest country in the neighbourhood, we are aware of our special responsibility. As India's External Affairs' Minister Mr.Yashwant Sinha said during a speech recently, while our security considerations are paramount, the sky is the limit in any other sphere - be it economic, political or military. The current courageous operation by Bhutan against Indian insurgents is a shining example of sensitivity of one country to the security concerns of its neighbour. Bangladesh has the opportunity to show the way towards regional cooperation due to its intimate association with the idea of SAARC and is the host of the next SAARC Summit, which is also our 20th anniversary as an organization.

Let us therefore work purposefully in obtaining win-win situations in all facets of our relationship - be it developing economic partnership, facilitating freer movement of goods and people, establishing multi-modal transport including road, rail, waterways and sea-links, optimum exploitation of natural resources in the region such as water and hydrocarbon resources, etc.

I wish to once again place on record my sincere thanks and gratitude to the FBCCI for organizing this luncheon meeting, in particular, Mr.Abdul Awal Mintoo, President and his colleagues in the Chamber.

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100. Joint press conference of External Affairs Minister K. Natwar Singh and Bangladesh Foreign Minister Morshed Khan.

New Delhi, June 1, 2004.

India and Bangladesh today discussed "all issues" between them, the External Affairs Minister, Natwar Singh, said at a joint press conference with the visiting Bangladesh Foreign Minister, Morshed Khan, at South Block.

The tariff issue, the transit question, and the activities of insurgent groups figured in the talks between the two Foreign Ministers. Mr. Khan also called on the Prime Minister, Manmohan Singh, the Congress President, Sonia Gandhi, the Defence Minister, Pranab Mukherjee, and the Petroleum Minister, Mani Shankar Aiyar.[1]

"Their [Indo-Bangladesh relations] future should not lie in the past. We have to go ahead. We are living in the 21st century," Mr. Singh said. The barriers should be removed not just between India and Bangladesh but also in the entire region.

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1. After the meeting between Mr. Aiyar and Bangladesh Foreign Minister Morshed Khan, it was made known that India offered to double the sale of diesel to Bangladesh even as Dhaka refrained from making any commitment on selling gas to New Delhi. India offered 60,000 tonnes of diesel a month from next year to meet Bangladesh's 2.3 million tonnes of petroleum products shortfall. "We are looking at the potential for larger cooperation [with India] as our requirement [of diesel] is going up. I will leave it to the officials to discuss import contract," Mr. Khan told presspersons after the meeting.
   The Indian Oil Corporation is supplying 2,30,000 tonnes of diesel to Bangladesh Petroleum Corporation during April-December this year. New Delhi has offered to supply 0.7 million tonnes diesel a year on a 5-year contract beginning 2005. Mr. Khan, however, made no commitment on exporting Bangladesh's vast natural gas reserves to India. "If we have exportable surplus, if Bangladesh (ever) exports natural gas, India is the natural choice because of the proximity," he said.
   {Unocal, the U.S. energy firm which had proposed exporting gas to India from its Bibiyana field in north Bangladesh through a pipeline, was forced to redraw its plans as Dhaka refused to allow exports though such a scheme would provide hard cash up to $ 70 millions for development plus an estimated $ 3.5 billions over 20 years. The company now plans to supply 200 million cubic feet a day to the Bangladesh domestic market by 2006.}
   Mr. Aiyar said: "they (Bangladesh) have to decide if they have exportable surplus. When ever they reach such a decision, they will have no objection in exporting gas to India. So far, Bangladesh is not convinced."
   {Estimates suggest that Bangladesh would need around 1,400 million cubic feet a day of gas by 2006, compared to its current consumption of 1,269 million cubic feet a day.} Mr. Aiyar also raised the issue of using Bangladesh territory as the transit route for transporting India's share of gas in the gigantic A-1 field in offshore Myanmar. To this, Mr. Khan said Dhaka had no objections if the pipeline was constructed on mutual beneficial terms.

On the proposed interlinking of rivers by India, Mr. Singh said the Congress-led Government was just a few days old and would make a comprehensive assessment of the entire scheme. The river-linking issue figured in the Common Minimum Programme of the coalition Government.

Mr. Khan said: "I have decided not to discuss the river issue internationally because if I raise the river issue, Natwar (Singh) will jump on me and say didn't you read our statements before, during and after the elections, especially after the issue was addressed by the Prime Minister, Manmohan Singh, that trans-national rivers can be addressed trans-nationally..."

Mr. Singh said they decided to call each other by their first names and that their discussions were marked by cordiality, warmth and mutual understanding." We have both concurred that if any mishap occurs, we'll get on the telephone and talk to each other." Both countries also wanted to attain the goal of issuing five lakh visas annually.

According to Mr. Khan, they had decided to take the bull by the horns and would not shy away from discussing any issue even if solutions could not be found immediately. The two countries did not claim each other's territory and also did not have any nuclear disputes.

Referring to the problems in the relationship, Mr. Khan said the two countries had not been able to "harvest the fruits." On terrorism, he said what could be fairer than Mr. Singh saying that it was an issue for both sides.

"We need to address this issue [of terrorism] seriously. When a friend comes to you and ... [talks] of his limitations or I express my limitations, we understand each other better... we know the situation," he said adding that the two leaders had decided to eschew rhetoric. "Rather than talking to each other, we have decided to talk with each other."

"Can you stop the terrorist activity in India or in Bangladesh? I would say no, that would be a very big challenge. But is the Government acting right? Are they doing the right thing? Yes, we are doing the right thing. Therefore, we have exchanged notes on both sides of the border... these are not problems that we cannot resolve," he said.

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101. Media briefing by Official Spokesperson on remarks made by Bangladesh Foreign Minister while participating in the Bangladesh – India Dialogue in Dhaka.

New Delhi, September 10, 2004.

Foreign Secretary called in the High Commissioner of Bangladesh Mr. Hemayetuddin to convey our surprise and dismay at the remarks[1] made by the Foreign Minister of Bangladesh to participants in the Bangladesh-India Dialogue for Young Journalists in the presence of diplomats, including the High Commissioner of India, which have been widely reported in the Bangladesh and Indian press.

The High Commissioner of Bangladesh was requested to convey to his Government that the remarks of the Foreign Minister could have a negative impact on our bilateral relations and on the spirit of goodwill and friendship that has hitherto characterized these relations.

India has always looked upon Bangladesh as a close friend and valued partner. At recent high-level interactions conducted in a friendly and cordial atmosphere, the two sides reiterated their desire to take the bilateral relationship forward. India, for its part, remains committed to this process.

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1. The Bangladesh Foreign Minister Morshed Khan had the previous day accused New Delhi of adopting "the process of blaming and running wrong diplomacy", which he said would "not bear good results". He refuted India's allegations that Dhaka was giving training and shelter to Indian insurgents. His litany of grievances included India's "baseless allegations" of his country giving training and shelter to Indian insurgents, India, on the contrary giving shelter to anti-Bangladesh terrorist groups operating from Kolkata, tariff and non-tariff barriers on exports of Bangladesh goods leading to serious imbalance in trade with India, denial of water during dry season and too much water during monsoon etc. His assertion that the North-eastern States of India were "Bangladesh-locked" particularly sounded unfriendly.

102. Media briefing by Official Spokesperson on relief assistance to Bangladesh.

New Delhi, October 7, 2004.

Pursuant to Prime Minister's offer of humanitarian relief assistance to Bangladesh to help mitigate the loss of life and property by the recent floods in Bangladesh, Government of India has announced relief assistance worth Rs. 100 crore to Bangladesh.

India's offer of humanitarian relief assistance was conveyed by our High Commissioner in Dhaka during a warm and friendly meeting with Prime Minister of Bangladesh, Begum Khaleda Zia, on October 6, 2004. The assistance can be utilized to source essential flood relief and rehabilitation materials from India, including wheat, building materials and medical supplies.

Bangladesh Prime Minister Begum Khaleda Zia appreciated the "friendly gesture" and conveyed her best wishes to Prime Minister Manmohan Singh and Congress President Sonia Gandhi.

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103. Media briefing by Official Spokesperson on the visit of Bangladesh Foreign Minister Morshed Khan to India.

New Delhi, November 1, 2004.

- Bangladesh Foreign Minister Mr. Morshed Khan is here as special envoy of Bangladesh Prime Minister to hand over invitation for the SAARC summit which is to take place in Dhaka in January 2005. He had visited New Delhi after the new government had taken over as special envoy of Bangladesh Prime Minister to offer congratulations to the new government.

- He had a good 45 minutes meeting with External Affairs Minister. Essentially they discussed the preparations for the Dhaka Summit and the status of the draft document and the status of implementation of the decisions taken at the Islamabad Summit. The draft is circulated by the host for comments by various countries.

- The visit essentially is as special envoy for SAARC purposes but the two Foreign Ministers also discussed bilateral relations. Inter alia, we shared our concerns on several issues related to better border management cooperation with Bangladesh, including those connected with insurgency. Bangladesh assured us of its commitment not to allow the use of its territory for activities prejudicial to India's interests[1]. We will continue to engage the Bangladesh Government on these issues in order to resolve the problem. Trade issues were also discussed.

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1. Apart from the official discussions on the question of use of Bangladesh territory for activities prejudicial to the interests of India, the leaders of the Left parties, who are also the ruling parties in two of the neighbouring States of Bangladesh *viz*., Tripura and West Bengal, also had a round of discussions with the visiting Foreign Minister. Communist Party of India (Marxist) senior politburo member, Prakash Karat, who was part of the Left leaders whom Khan met at the CPI headquarters in Ajoy Bhavan on November 1 said: "We have told him that the Left was committed to maintaining good relations with Bangladesh, but there were a few major irritants that came in the way." Explained the CPI General Secretary A. B. Bardhan: "We told them they would have to ensure that no terrorist group was nurtured in the country." According to some of the Left leaders, the Bangladesh minister read out a list of 25 suspected terrorists whom they have rounded up over the past few days. Left leaders said the Minister insisted that Paresh Barua of ULFA or Ajay Debbarma of ATTF had no permanent camp in Bangladesh. When asked for his comments, the Bangladesh Foreign Minister said the talks were held in "an excellent" atmosphere. He said that all problems between the countries could be sorted out in a spirit of cooperation. In fact the CPM Central Committee had discussed the Bangladesh issue in detail during the weekend. Karat said: "The ULFA, NDFB and the Tripura extremist outfits like NLFT and ATTF are

- Mr. Morshed Khan also called on Prime Minister Dr. Manmohan Singh. He conveyed Bangladesh Prime Minister's appreciation of the Indian offer of assistance for flood relief of Rs. 100 crore that would be utilized by Bangladesh to source flood relief and rehabilitation materials from India including foodstuff, building materials and medical supplies. Prime Minister thanked him for the invitation and recalled his meeting with Bangladesh Prime Minister in Bangkok in July.

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operating mainly from camps based in Bangladesh. Some of the groups are there in Myanmar also. The Bangladesh government has been consistently denying the existence of the camps and the activities of the leaders of these groups from the territory of Bangladesh." A statement issued by CPM said: "The Central Government must take up the matter with the Bangladesh Government in a manner, which makes it aware that it cannot evade the issue of sanctuary for the terrorist groups any longer." On the eve of the Foreign Minister's visit (October 29) Dhaka had summoned the Indian Deputy High Commissioner S. Chakravarti to the Foreign Ministry and handed over a protest note following reports that there had been "heavy exchange of fire" between the security forces of the two countries over the alleged "push-in" and "push-back" attempts . The Bangladesh media had alleged that the Indian Border Security Force had attempted to push in "Bengali speaking Indian Muslims" into Bangladesh. Taking umbrage to this charge, the Indian High Commission in Dhaka in a prss note on October 30 asserted that no such "push-in" has been ever made by the BSF. "The question of forcing Indian citizens into the territory of any other nation by any Indian authority does not arise", said the Indian press note. The High Commission further said the reports accusing the BSF of such acts have been investigated and found to be "entirely baseless".

104. Media briefing by Official Spokesperson on the visit of the Indian Cricket team to Bangladesh.

New Delhi, December 7, 2004.

The Indian Security Delegation which is currently in Dhaka to make an on the spot assessment of the security environment for the visit of the Indian cricket team to Bangladesh, has now given its report to Government. The Indian security officials and their Bangladesh counterparts carried out a thorough joint onsite inspection of the venue of the match, the hotel where the players will be accommodated as also the route which will be used for travel by the team. Our officials also made a number of recommendations for strengthening the security arrangements for the visiting team. These were accepted in entirety by the Bangladesh authorities. Bangladesh Home Secretary, H.E. Mr. Omar Farooq personally reviewed all the arrangements and has assured the implementation of all the additional measures requested by the Indian side. We deeply appreciate the cooperation and understanding extended to the Indian security team and personal interest which is being taken by the Bangladesh Home Secretary to ensure that there is no risk to the safety of the Indian cricket team.

On this basis, the Government is advising BCCI to proceed ahead with the tour of the Indian cricket team for matches in Dhaka[1].

The Indian security delegation will now proceed to Chittagong[2] to

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1. The visit of the security team took place in the wake of the threat to the Indian team by an Islamic group, supposedly the Harkat-ul-Jehad, on December 5, warning of "dire consequences if the tam visited Bangladesh for a cricket series. The threat was contained in a letter sent to the Indian High Commission in Dhaka. The MEA Spokesperson Navtej Sarna had said on that day, while "the Ministry was making an assessment of the threat, it "welcomed the categorical assurance given by the Bangladesh Government that no effort would be spared to provide the fullest security to the visiting Indian cricket team".
2. After the visit of the security team to Chittagong, Mr. Sarna told the media on December 9 that "we have received assessment of the Indian security team that went to Chittagong . The team made a full assessment of the arrangements in consultation with the Bangladesh authorities. The joint inspections covered the venues, hotels and other areas where the Indian Cricket Team would be expected to be present. The security team made specific recommendations for strengthening security arrangements and these have been accepted by the Bangladesh authorities. On the basis of security team's report, Government is advising the Board of Control for Cricket in India to go ahead with the matches in Chittagong."
   The Government's apprehension about the security of the team has to be seen in the background of the Government of India's concern about reports of the activities of fundamentalists in Bangladesh, which were worrying New Delhi for quite some time. The

make a similar assessment of the security arrangements for the visit of the team to that city. The cricket team's visit to Chittagong will be decided on the basis of assessment to be given to Government by the delegation.

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BHUTAN

105. Press release of the Ministry of External Affairs on the first meeting of India-Bhutan Foundation.

Neemrana (Harayna-India), October 5, 2004.

The first meeting of the India-Bhutan Foundation held on 1-2 October 2004 at Neemrana has decided to focus on concrete programmes in the areas of education and cultural exchanges and environmental preservation. It has approved the bye-laws that will govern the work of the Foundation following which a Trust Fund of Rs. 4 crore, contributed in equal measure by the Government of India and the Royal Government of Bhutan, will be established. The activities of the Foundation will be financed through the income earned by the Trust Fund. The Foundation will receive proposals from interested individuals and institutions in India and Bhutan aimed at enhancing people-to-people exchanges in the key focus areas.

In his message to the first meeting of the Foundation, the Vice President of India, Shri Bhairon Singh Shekhawat expressed the confidence

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international media had also drawn attention to the Al Qaida activities in Bangladesh. In the wake of the dastardly attack on the life of Sheikh Hasina in August last, New Delhi had particularly felt disturbed about the developing serious situation in its neighbourhood, which prompted the External Affairs Minister Natwar Singh to personally address his counterpart in Dhaka Morshed Khan. In that letter, as the Spokesperson of the MEA Navtej Sarna mentioned in his briefing on August 31, Natwar Singh "expressed profound shock and sorrow of the Government of India, as well as his personal grief at the dastardly grenade attack on the political rally." When the journalists drew his attention to the late response of New Delhi, the Spokesman putting the developments in perspective said: "I think you should see the letter for what it is. It is an expression of our very serious concern. It is expression of the profound shock that the Government and the Minister have felt at the attack. It is an expression of the dastardly terrorist attack in the strongest possible terms." It was in the context of these developments that New Delhi chose to be cautious and ensure that the players were not exposed to any undue risk.

that "the Foundation will go a long way in bringing the people of the two countries closer by undertaking activities that will help foster deeper understanding of each other's culture and ethos".

The Memorandum of Understanding for establishing the India-Bhutan Foundation was signed in the presence of the Vice President of India, Shri Bhairon Singh Shekhawat and His Royal Highness the Crown Prince of Bhutan during the official visit of the Crown Prince to India in August 2003.

The Ambassador of India to Bhutan and the Ambassador of Bhutan to India are the two Co-Chairpersons of the Foundation.

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106 Media briefing by Official Spokesperson on the visit of External Affairs Minister K. Natwar Singh to Bhutan.

New Delhi, October 12, 2004.

I would like to brief you on the visit of External Affairs Minister Shri K. Natwar Singh to Bhutan. He left for Bhutan this morning and arrived in Paro. This is his first official visit to Bhutan after taking over as External Affairs Minister. On his arrival, Shri Natwar Singh had an audience with His Majesty the King Jigme Singye Wangchuck. This meeting, which was held in Paro, lasted for about 2 hours.

There were wide ranging discussions between His Majesty the King and External Affairs Minister and they covered diverse areas of bilateral cooperation between India and Bhutan, as also matters of common concern to both countries, including security related issues and border management.

The External Affairs Minister thanked His Majesty and the Royal Government of Bhutan for the successful military operations against insurgent groups and reiterated the full support of the Government of India for providing whatever security assistance is required by Bhutan.

Both sides expressed satisfaction at the constitution of the bilateral group on border management and security.

The External Affairs Minister also expressed full support of the

Government of India for India-assisted projects under Bhutan's Ninth Five-Year Plan 2002-07.

Also, the External Affairs Minister welcomed the constitution of a bilateral group to address issues relating to flood management and soil erosion, affecting areas both in Bhutan and India.

His Royal Highness Dasho Jigme Khesar Namgyal Wangchuck, Crown Prince also met the External Affairs Minister. For the Investiture Ceremony of Crown Prince as Chhoetse Penelop later this month, the External Affairs Minister conveyed that the Government of India will be represented by Rao Inderjit Singh, Hon'ble Minister of State for External Affairs.

The King has very graciously accepted the invitation of the President of India to be the Chief Guest for the Republic Day 2005.

External Affairs Minister is expected to return back tomorrow.

Question: Are there still some places inside Bhutan, which have camps?

Answer: I do not have an exact position on each of the camps but a fairly extensive operation was undertaken by the Royal Bhutan Army, as you know. Naturally, border management and security issues are something which are constantly to be kept under watch.

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NEPAL

107. Statement by the Government of India condemning Maoist attack on Indian cargo vehicles in Nepal.

New Delhi, April 5, 2004.

"Government of India strongly condemns the attack on Indian cargo vehicles by CPN (Maoist) insurgents at various places in Nepal in which a number of Indian nationals were shot and seriously wounded and several oil tankers and cargo vehicles were burnt and destroyed. This is a blatant act of terrorism and its perpetrators must be apprehended and punished for their crimes. The Government of India holds the leadership of CPN (Maoists) responsible for these incidents.

The Government of India also requests His Majesty's Government of Nepal to provide full security for Indian personnel and property in Nepal. The Government of India is already working together with the authorities in Nepal to confront the challenge of terrorism through mutual cooperation. Such incidents, far from deterring such cooperation, will only lead to redoubled efforts on the part of both countries to overcome the danger, which such terrorism poses to the security of both our neighboring countries.

Nepal faces an unprecedented crisis, the solution of which demands mutual understanding and cooperation between all the constitutional forces in the country in particular between the institution of Constitutional Monarchy and the political parties. As a close and friendly neighbor of Nepal sharing an open border, India would urge that, in recognizing the seriousness of the current crisis, both Constitutional Monarchy as well as the political parties demonstrate flexibility and forge a national consensus to deal with this situation with the urgency it deserves. India will, as always, extend its full support to the people of Nepal in their hour of need."

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108. Visit of External Affairs Minister K. Natwar Singh to Nepal. Kathmandu, June 4-5, 2004.

India has an important stake in the restoration of political stability in Nepal, the visiting External Affairs Minister, Natwar Singh, told King Gyanendra during a 70-minute meeting at the Narayanhiti palace on June 4.

India's Ambassador to Nepal, Shyam Saran, told presspersons in Mr. Singh's presence that New Delhi's support to strengthening Nepal's security capabilities would continue.

With the appointment of a new Prime Minister ending a period of "uncertainty", India hoped that this marked the beginning of a process through which a truly representative, multi-party government would emerge.[1] India also hoped that the political parties represented in the dissolved Parliament would come together in a spirit of mutual understanding, Mr. Saran said.

"I've just had a meeting with His Majesty, the King. My visit indicates the very great importance that we attach to our relations with this wonderful country. The ties are so multi-faceted that I cannot even list them. I also met the Prime Minister and I'm hoping to meet other leaders and friends," the External Affairs Minister said.[2]

Mr. Singh said that it was no coincidence that his first visit after taking office was to Nepal. He maintained that the policy of the Manmohan Singh-led Government would be to continue high-level visits between the two countries. He said India fully supported the Nepalese in their endeavour to overcome the challenges facing their country.

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1. That Nepal was high on EAM's agenda was evident from the fact that the first head of an Indian Mission he called to New Delhi for personal discussion was Ambassador Shyam Saran from Kathmandu. Addressing his first press conference on June 1, EAM when asked about the agenda for his Nepal visit, said: "I will hold talks there. That is why I am going there. We give so much importance to our relations (with Nepal)". He said that the situation in Nepal was "frightening for them as well as for us." Making it plain that India should play a role in maintaining political stability in Nepal EAM said "Otherwise others will come and interfere. So I will hold talks."
2. This was Mr. Natwar Singh's fourth visit to Nepal — the first was-1959, the second for the 1987 SAARC summit and the third an "unpublicised trip to meet the late king of Nepal in 1988.

According to Mr. Saran, King Gyanendra welcomed Mr. Singh's visit lo Nepal and hoped that under his stewardship, bilateral ties would improve. Both exchanged views on a wide range of bilateral and regional issues in a cordial manner.

Mr: Singh extended full support to Nepal's economic development in a spirit of mutual benefit.

"The Minister also conveyed to His Majesty, the Indian Government's determination to continue regional cooperation in SAARC and under the ambit of BIMST-EC Bangladesh-India-Myanmar-Sri Lanka Economic Cooperation."

Mr. Saran said the King wished success to the new Government in India to achieve its aims of political and economic reform and requested Mr. Singh to convey his greetings and best wishes to the Indian leadership. He also invited the President, A.P.J. Abdul Kalam, the Prime Minister, Manmohan Singh, and the Congress president, Sonia Gandhi to visit Nepal.

Mr. Singh told the Prime Minister that the Maoist insurgency in Nepal was a challenge to the security of both "our countries."

This problem required cooperative efforts on the part of India and Nepal, Mr. Saran said. The External Affairs Minister said India was willing not only to pursue, but also expand the "already considerable" economic cooperation between the two countries.

Asked to explain what India meant by saying it had an importent stake in Nepal's political stability, Mr. Saran said the two countries share a long and open border and there were no restrictions on the movement of citizens of either country. "Whatever happens in Nepal, it inevitably has an impact on India, similarly whatever happens in India has an impact on Nepal. So, it stands to reason that we have a stake in the political stability of this country and its economic well-being."

India, he said, had taken a consistent position that there were two pillars of political stability in Nepal, the constitutional monarchy and the multi-party democracy and only if these two pillars work in concert political stability could be restored. And only then could the larger challenge posed by the Maoist insurgency be faced, Mr. Saran felt.

Admitting that there was some "confidence gap" between the

institutions, he hoped that a new Government would prepare the ground for the next election and a peace process with the Maoist insurgents. The Maoists must understand that violence was not the answer to Nepal's problems and that they must shun the bullet for the ballot.

Asked if India's interest in Nepal was because of China, Mr. Saran replied: "China and Nepal, as far as we know, have very good relations. India itself is improving its relations with China. India has also suggested to Nepal that we could have a transit route through Nepal for trade with China. So, I do not think that this is a zero sum game."

On June 5 addressing the Indian press in Kathmandu, Mr. Singh said that the King and he had agreed that it was "essential to have a national consensus" on the political question in the Himalayan Kingdom so that a timeframe could be worked out to hold elections. Saying that he did not spend much time on the past, he told journalists: *"*Our interest is in the future and he [the King] is very, very keen to resolve the political situation.".

On the holding of elections, Mr. Singh said the King had given no specific time frame, but the appointment of Sher Bahadur Deuba as Prime Minister was the first step in this direction.

He specifically mentioned the role of the senior Nepali Congress leader, G.P. Koirala, whom he met at his residence that day. "I respectfully said to him that as the senior-most political leader in Nepal everybody looked to him to take a lead in resolving this crisis." His Nepalese interlocutors had informed him that they wanted to invite international observers, including Indians, to be present during the polls. "I made no commitment [on the issue of Indian observers]. I said I will place it before the Prime Minister [Manmohan Singh] and the Cabinet," he said.

Asked whether the two Governments, proposed to expand the ongoing defence cooperation to include more training and equipment, including weapons, Mr. Singh replied, "Yes, we will. This came up with His Majesty, the Prime Minister and the Chief of the Army Staff."

In his discussions with King Gyanendra Mr. Singh said they had shared "common concern" in regard to security matters, a reference to Maoist activities, which had been causing trouble not just in Nepal, but also in Bihar, Jharkhand, Orissa and Andhra Pradesh.

Mr. Singh said King Gyanendra appreciated the gesture of the Congress president, Sonia Gandhi, in not accepting the post of Prime Minister.

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109. Statement by Official Spokesperson on bomb attack on an Indian joint venture industrial unit in Nepal.

New Delhi, August 28, 2004.

Government of India strongly condemns the bomb attacks this morning at the Hetauda factory of Nepal Lever Ltd., a leading Indian joint-venture industrial unit in Nepal and holds Maoist organizations directly responsible for this reprehensible act.

The targeting of a prestigious export-oriented industrial unit to intimidate other similar industries in this key revenue-earning sector of the Nepalese economy to pursue political objectives is pointless as it cannot but harm the economy of Nepal and cause hardship to the people of Nepal, whose interests those responsible for the attack claim to serve.

Government of India is requesting His Majesty's Government of Nepal to apprehend the culp rits and bring them to justice.

The Government of India calls for an end to the targeting of business enterprises and strongly urges that business ventures be allowed to operate freely, without fear of violence in the interest of the people of Nepal.

Government of India will, as always, continue its support to His Majesty's Government of Nepal and the friendly people of Nepal in dealing firmly with those responsible for terrorist activities.

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110. Statement by External Affairs Minister K. Natwar Singh on the killing of 12 Nepalis in Iraq.

New Delhi, September 1, 2004.

The Government of India expresses its deep shock at the tragic killing of 12 innocent Nepali workers in Iraq. I have spoken to Prime Minister Deuba of Nepal today to convey the anguish and deep sympathy felt by the Government and people of India for the people of Nepal, and extended our heartfelt condolences to the bereaved families. Government has also offered to provide any assistance that may be required by Nepal to bring back the bodies of the victims. Appropriate instructions have been issued to our Ambassador in Baghdad.

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111. Opening remarks by Prime Minister Dr. Manmohan Singh during Working Lunch for Nepalese Prime Minister.

New Delhi, September 9, 2004.

Excellency,

Members of the Nepalese delegation

I take this opportunity to welcome you once again. We have a long history of close and friendly times characterized by open borders and deep rooted people-to-people contacts of kinship and culture.

Our Government has accorded the highest priority to the development of relations with our neighbours. Nepal was the first destination for the visit of our External Affairs Minister after we took office.

We are committed to further development of our relations in the spirit of equality and mutual respect.

As I mentioned to you in our discussions earlier today, India is committed to providing all possible assistance to your Government in addressing the difficult challenges that it presently faces.

I am happy that we have been able to conclude two important

agreements during your visit, relating to Cooperation in Culture and Sports as well as in the field of Weather Forecasting.

The recent floods highlighted the imperative of enhanced cooperation in water resources. I would like to emphasise the importance of comprehensive Master Plan to manage and control floods.

India is also deeply involved in developmental projects in Nepal and I would like to give my assurance that this will continue.

We hope that the operationalization of the Inland Container Depot in Birgunj will facilitate transit as well as bilateral traffic.

We are happy that the Consulate General of India in Birgunj has been functioning since February 2004.

Our trade treaty provides non-reciprocal duty free access to Nepalese exports to India. We hope that Nepal will soon overcome its present problems and be able to join the trend of enhanced growth rates in the region. I am glad that a large business delegation is accompanying you and will have meetings with their Indian counterparts during this visit. This is essential to foster a climate of business and investor confidence between our two countries.

Let me welcome you once again Excellency. My colleagues present here will be very happy to respond to points made by your colleagues on the Nepalese delegation.

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112. Agreement between the Government of the Republic of India and His Majesty's Government of Nepal on Cooperation in the fields of Culture and Sports.

New Delhi, September 9, 2004.

The Government of the Republic of India and His Majesty's Government of Nepal hereinafter referred to as the "Contracting Parties".

Inspired by the cordial and friendly relations existing between the two countries and their peoples; and

Desirous of promoting, developing and strengthening of cultural relations and mutual cooperation in the Fields of Culture, Youth Affairs and Sports and Theatre between two countries;

Have agreed as follows:

Article 1

The Contracting Parties hereby agree to maintain and strengthen cooperation in the fields of culture including arts, literature, music, language, archaeology and architecture and sports.

Article 2

The Contracting Parties shall promote mutual cultural exchange to stimulate cooperation and support the development of relations between the cultural and research institutions of the two countries.

Article 3

In accordance with their capabilities, each of the Contracting Parties shall facilitate visits of students and experts to provide training, specialization and research in cultural institutions.

Article 4

The Contracting Parties shall encourage cooperation between institutions and organizations in the field of culture including museums, archives, art academies and cultural institutions, sports and physical culture, organization of competitions and exchange of information in these fields.

Article 5

The Contracting Parties shall work for promoting Films and Theatre by interaction and exchange of material, programmes and personnel in these fields.

Article 6

For the purpose of implementation of this Agreement the Contracting Parties shall conclude periodical programmes of cultural and sports cooperation, specifying concrete activities and the organisational and financial terms of their realisation.

Article 7

The Contracting Parties shall form a Joint Working Group which shall meet periodically for the purpose of evaluating cooperation and concluding the programmes.

Article 8

The Contracting Parties shall lake appropriate measures to provide all possible facilities for giving effect lo the terms of this agreement.

Article 9

This Agreement shall come into force on the date of notification of completion of internal procedures by both Contracting Parties.

It shall remain in force for a period of five years and shall be renewed automatically thereafter for a further period of five years until either Contracting parties gives the other a six-month prior notice of its intention to terminate the Agreement.

In the case of termination of the present Agreement all projects and activities undertaken on its basis shall be fully implemented under the same conditions they have been started.

IN WITNESS WHEREOF the undersigned, duly authorized thereto by their respective Governments, have signed the present Agreement.

Done at New Delhi on the Ninth day of September, 2004, in two originals each in the Hindi, Nepali and English languages, all texts being

equally authentic. However, in case of doubt in interpretation, the English text shall prevail.

For the Government of
The Republic of India
Shyam Saran
Foreign Secretary

For His Majesty's
Government of Nepal
Madhu Raman Acharya
Foreign Secretary

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113. Memorandum of Understanding between the Government of the Republic of India and His Majesty's Government of Nepal on Cooperation in the field of Weather Forecasting.

New Delhi, September 9, 2004.

The Government of the Republic of India and His Majesty's Government of Nepal (hereinafter referred to as 'parties')

Noting the friendly relations existing between the two countries;

Recalling the Agreement of Cooperation in the fields of Science & Technology between the two countries concluded on 21st March 2002 and the Programme of Cooperation in the fields of Science & Technology between the two governments for the period 2002 to 2004;

Desirous of cooperating in the field of weather forecasting;

Have entered into this Memorandum of Understanding on Cooperation in the field of weather forecasting:

Article 1

India Meteorological Department (IMD) on behalf of the Government of India and Department of Hydrology and Meteorology (DHM) on behalf of His Majesty's Government of Nepal will cooperate in the field of Weather Forecasting. For this purpose:

(i) An INSAT / METSAT Meteorological Data Dissemination (MDD)

Receiving System will be set up in the Kingdom of Nepal;

(ii) Nepalese nationals will be trained for operation of the Data Receiving Station; and

(iii) Experts from IMD and DHM will cooperate in joint research activities and establishment of data transmission facilities with a view to further improve the weather forecasting.

Article 2

(i) The Meteorological Data Receiving System to be set up in the Kingdom of Nepal shall be in conformity with the technical proposal at Annex-1 of the Memorandum of Understanding.

(ii) The broad outline of the facilities to be provided, the equipment to be installed, the civil engineering involved and other related technical matters and the implementation plan is incorporated in the technical proposal at Annex-1.

(iii) The two parties shall endeavour to make the facilities operational within 15 months of the actual commencement of the execution of the project.

(iv) The cost of the equipment to be provided for the project as mentioned in Annex-1 will be borne by the Government of India. The cost of land and infrastructure facilities to be provided for the installation of the equipment shall be borne by His Majesty's Government of Nepal.

(v) In the event of breakdown, IMD shall arrange expeditiously the visit of its experts whenever required. The international airfare for such visits shall be met by the Government of India and the cost of local hospitality by His Majesty's Government of Nepal. Cost of replacement of defective hardware shall be borne by Government of India for the first two years from the date of installation.

Article 3

(i) The Government of India shall provide training facilities for Nepalese operators of the Data Receiving Station. Training may be provided by experts of IMD in Nepal or in India. The cost of the training will be borne by the Government of India. The details of the training

programme, the number of personnel trained and cost involved shall be finalized by mutual consultations between IMD and DHM.

(ii) DHM shall assign the trained persons for the operation of the meteorological data operating system for a minimum period of two years after the training.

(iii) The recruitment of administrative, technical and other personnel for the execution of the project will be confined to the nationals of either country. HMGN shall issue identity cards to such personnel and also arrange for their security during the implementation of the project.

Article 4

The experts of IMD and DHM shall study and propose measures for improving the weather forecasting in Nepal. These proposals would include

(i) Sharing of data collected in Nepal;

(ii) Setting up of additional data collection facilities which would improve the weather forecasting models;

(iii) Any other joint research activity that would contribute to accuracy of weather forecasting.

(iv) For establishment and smooth operation of the System, a familiarization trip of four experts from Nepal to the existing facilities in India would be arranged.

Article 5

(i) His Majesty's Government of Nepal shall exempt from payment of all customs duties, taxes including VAT, cesses and levies of any kind whether at the border or movement within Nepal in respect of goods, materials, equipment, machinery procured and purchased locally for the project under Government of India aid. In case of refund of VAT, the concerned office of HMGN will reimburse the paid VAT within the prescribed time for the project under Government of India aid. DHM shall assist in expeditious clearance of the equipment so imported.

(ii) His Majesty's Government of Nepal shall exempt expatriate personnel

deputed for the project from customs duties, taxes including VAT, cesses and levies of any kind including income tax on their emoluments as well as on the goods for household and personal use including means of transport for expatriate personnel employed by the Project.

(iii) His Majesty's Government of Nepal shall, in the interest of speedy execution of the project, assist IMD or an agency appointed by it for the execution of the project.

(iv) His Majesty's Government of Nepal shall exempt from payment of all duties, taxes including VAT, cesses and levies of any kind on the items used in the project when they are no longer in use, at the time of their export to India.

(v) His Majesty's Government of Nepal shall provide transport facilities, whether it is for the transportation of goods for use in the project or for the personal use of expatriate personnel "deputed for the Project.

(vi) Indian personnel employed in the project or by its agents, consultants or sub-contractors shall be immune from the legal process in Nepal for all acts performed by them in good faith in their official capacity in the execution of the project. They shall also enjoy inviolability for all papers and documents related to the project.

(vii) His Majesty's Government of Nepal shall take all necessary and reasonable action to ensure the safety and security of the Indian personnel, their families, personal belongings and goods; and materials connected with the project.

Article 6

(i) In case of unauthorized usage of the System in the project, the party getting informed of the unauthorized usage shall immediately inform to the other party. In such a case, the matter shall be resolved pursuant to the understanding to be reached between the parties.

(ii) Sharing or selling of data with/to a third country shall be allowed under mutual consultation and written agreement between the two parties.

In witness there of, the undersigned being duly authorized by the respective Governments have signed this Memorandum of Understanding.

Done at New Delhi on the Ninth day of September, 2004, in two originals in English language.

For the Government of the Republic of India	For His Majesty's Government of Nepal
V. S. Ramamurthy Secretary, Department of Science & Technology	Purnabhadra Adiga Acting Secretary Ministry of Science & Technology

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Annex-1

Technical proposal for the INSAT/METSAT Meteorological Data Dissemination (MDD) Receiving System in Nepal

Equipment to be provided by Government of India

The raw INSAT/METSAT Data is received by IMD at New Delhi. The image data is processed and transmitted in analogue form via INSAT in near real time for use. A Meteorological Data Receiving Station will be set up in the Kingdom of Nepal for regular reception of meteorological data, including INSAT cloud Imagery Data, Analyses Weather Charts and Conventional Meteorological Data transmitted via INSAT. It will consist of:

An antenna; front-end-converter, receiver, recorder and an inter-active image display system.

The present MDD system is analogue technology based and is likely to be replaced by digital MDD system in the near future. Presently available system will be installed in Nepal and upgraded subsequently if necessary.

The following equipment will be provided to Nepal under the project:

1. Antenna with S-Band feed (size and specifications to be worked out later)

2.	MDD Reception Equipment - consisting of	
(i)	Front-end Converter	(2 nos.)
(ii)	Power Supply	"
(iii)	FDM Demultiplexer	"
(iv)	TDM Demultiplexer	"
(v)	T/P interface	"
(vi)	Interconnecting cables	one
(vii)	Receive Bay	one
3.	FAX Printer (Laser printer of 1200 dpi quality)	one
4.	Image Printer -do--	one
5.	Dot Matrix Printers with ROTP	two
	(All the above printers use plain paper)	
6.	2 KVA UPS system with 30 minute backup	one
7.	PC-Based interactive image display system	
	(Work Station)	one
8.	Test Equipment (Digital Multimeter, Oscilloscope	
	& signal generator. Head phone set)	one number each
9.	2 years' consumables and spares	

10. A schematic diagram showing the components of the ground receiving station is given at Annex-II.

11. As the technology is fast changing, the state-of-art system as on date of execution will be supplied.

Facilities to be provided by His Majesty's Government of Nepal

His Majesty's Government of Nepal shall provide necessary accommodation and infrastructure facilities and also execute civil works for the antenna foundation and cable layout. The infrastructure facilities to be provided shall be as follows:

(i) A room of 12' x 15' area;

(ii) Air conditioning of the room (The temperature is required to be maintained at 25 degree Centigrade);

(iii) Linoleum flooring for the room;

(iv) Power points (2 numbers);

(v) Furniture (4 tables of size 3' x 6' for equipment) and working furniture for the staff.

Civil works shall be carried out by DHM for antenna mounting and cable layout as per technical specifications to be supplied by IMD and under supervision of IMD experts. Additional minor civil works may be required at the time of the installation.

Visit of Indian officials to Nepal

1. Visit of high-level team of Government of India officials from MEA, IMD and DOS within a month of the signing of the MOU, to Nepal. The team will consist of one official from each of these agencies and the duration of the visit will be four days. This team will confirm the availability of basic infrastructure facilities in Nepal, obtain in-principle clearances from Nepalese agencies for siting of antenna, frequency usage, etc. and discuss in detail the project implementation strategy with the concerned authorities of the Nepalese government.

2. Visit of a team of technical experts of Government of India from IMD as a follow-up to the above. The team will consist of two officers from IMD and the duration of visit will be eight days. This team will make site surveys, make measurements of signal strengths and noise levels, and finalise site for antenna and receiving equipment. These measurements will be used to calculate the satellite link budget parameters and to decide upon the size and specifications of the antenna required to be provided.

3. Visit of IMD's installation team to Nepal for installation, testing, alignment, integration of equipment and commissioning of the station, and training Nepalese personnel. The team will consist of three IMD officials and the duration of the visit will be a total of 12 man-weeks.

Visit of Nepalese Officials to India

Visit of a high level team of Government officials from MOST, DHM

shall be arranged soon after the signing of MOU, to India. The main purpose of the visit will be to familiarize the team with the operation of the existing similar stations in India as well as facilitating the Nepalese side for the smooth execution and operation of the Project. The duration of the visit will be seven days.

Project Management

The project shall be implemented by IMD as a turnkey project. DHM shall provide assistance wherever required. Approximate schedule of implementation is given below:

Month	Programme
1.	Signing of MOU
2.	Visit of Nepalese Officials to India. Visit of Indian High Level Team to Nepal
3.	Visit of Indian Technical Team Lo Nepal
4.	Placement of order for imported equipment
5.	Placement of order for indigenous equipment
6-7.	Manufacture/Assembly of equipment
8.	Testing of indigenous equipment at factory
9-10.	Receipt of imported and indigenous equipment and testing by IMD and transportation to Nepal
11.	Civil works for antenna mounting and cable layout at site by DHM under IMD supervision
12.	Installation, testing and commissioning of equipment at Kathmandu and training of Nepalese personnel.

Note of the Editor:

Annex II is a diagram of INSAT – 3C, which is not included here.

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114. Memorandum of Understanding between Nepal Oil Corporation and Indian Oil Corporation Limited on setting up an oil pipeline between Raxaul in India and Amlekhganj in Nepal.

New Delhi, September 9, 2004.

This Memorandum of Understanding (hereinafter referred as "MOU") is made and entered into this 9th day of September, Two Thousand and Four at New Delhi between

Nepal Oil Corporation established under the Act of B.S. 2021* (now replaced by B.S. 2051**) and having its Registered Office at Babarmahal, Kathmandu, Nepal (hereinafter referred to as NOC) which shall mean and include its successors and permitted assigns and whose principal place of business is at Nepal of the FIRST PART

and

Indian Oil Corporation Limited, a company incorporated under Indian Companies Act 1956, a Public Sector Undertaking of the Government of India, having its registered office at G-9, Ali Yavar Jung Marg, Bandra (East), Mumbai-400051 (hereinafter referred to as IOC), which expression shall mean and include its successors and permitted assigns of the SECOND PART.

NOC and IOC shall be referred to individually as "Party" and collectively as "Parties".

Recitals:

Whereas NOC is the only His Majesty Government of Nepal (HMGN) undertaking oil company of Nepal and has been serving the nation in the area of petroleum distribution including imports, storage and distribution of various types of petroleum products since 1972 (B.S. 2027).

And where as is largest commercial organization in India featuring in the list of Fortune Global 500 companies and is, inter-alia, engaged in the business of refining and sale of petroleum products, import of crude *&* petroleum products, aviation business, providing training and consultancy services in Downstream Petroleum Sector. IOC is the market leader in Petroleum Sector In India with 53% Market share.

Now Therefore the understanding of both parties is set out as follows:

Article 1
Statement of Intent

This MOU records the intention of NOC and IOC, wherein NOC and IOC shall jointly set up petroleum product pipeline between IOC's Raxaul Depot and NOC's Amlekhganj Depot, so as to create a mutually beneficial strategic, long term, bilateral alliance between NOC and IOC using the .technical expertise of IOC in the petroleum downstream sector including but not limited to storage, transportation, distribution, marketing and human resource development.

The objective of this MOU is for improvement of product quality, availability and conservation, customer service and development of healthy competitive market in Nepal.

Article -2
Scope of Understanding

IOC has vast experience of over four decades in the downstream petroleum sector. IOC owns and operates 10 out of 18 refineries in India. IOC also has an extensive network of about 23,000 sales points backed up by 162 bulk storage depots and terminals, 87 LPG bottling plants and 94 aviation refueling stations. IOC has vast pipeline network of over 7500 km for transportation of crude and petroleum products across length and breadth of country with a total transportation capacity of 56.85 MMTPA. IOC has required expertise in design, construction and operation/maintenance of pipeline for Joint participation of parties in laying the proposed product pipeline. In order to upgrade the distribution system, provide stability and energy supply security in the overall interest of customers In Nepal, NOC and IOC have agreed for joint participation of the parties in the following areas for mutual benefit.

Laying of Product Pipeline between Raxaul (India) and Amlekhganj (Nepal)

For reliability, energy supply security, delivery of products at competitive prices and better operating efficiency of petroleum storage depots in Nepal both the parties intend to set up a Joint Venture Company

(JVC) under which product pipeline would be laid between Raxaul and Amlekhganj in the first phase and between Amlekhganj and Bharatpur/ Kathmandu in the second phase.

a) The proposed JVC shall own the Raxaul - Amlekhganj pipeline, and other allied infrastructure and facilities.

b) The proposed JVC would basically be a POL transportation company.

c) Considering that Nepal would like to have its own refinery, though the same is not found feasible now at the current level of POL consumption in Nepal, if at a later date, it is justifiable to set up *a* refinery in the country, either the proposed JVC would examine commercial viability of the venture and setup a Mini-refinery with the support of NOC and IOC, or NOC and IOC would do the same and set up a refinery by utilizing the facilities of the JVC, if found commercially feasible.

Proposed Structure :

- The equity structure of the proposed JVC shall comprise of NOC as the majority partner with IOC being the second major partner. At the appropriate time, financial institutions and the public of Nepal would also be permitted to participate in the equity of the JVC subject to Companies laws and other regulations of Nepal. The final shareholding of the JVC would be decided between NOC and IOC based on mutual discussions.

- The JVC would be incorporated in Nepal in line with the companies' laws and other applicable regulations.

- The JVC would be managed by a Board of Directors, which shall comprise nominees representing NOC and IOC in proportion to their respective equity holding.

- Upon incorporation the Board of the JVC shall regulate the business of JVC.

- The formation of the JVC shall be subject to the approval of the respective Boards of NOC and IOC.

Article 3
Time Frame

IOC and NOC would endeavour to commence operations of the JVC within the time frame of 4 to 6 months from date of signing of MOU, subject to the completion of requisite modalities and formalities. The present MOU will come into force on the date of its signing by the authorized representatives of the parties and shall continue in force for a period of one year and shall remain in force till the execution of definitive agreements or extension of the MOU through mutual consent whichever occurs earlier.

Article 4
Confidentiality

The parties shall not disclose to any third party (except for a disclosure required by any court of law, Government, Parliament or any applicable law) any confidential information furnished or obtained from the other partly throughout the duration of this Memorandum of Understanding without the prior written consent of the other party.

Article 5
Public Announcement

The release and contents of all public announcements (other than when such disclosure is required under any applicable law) by the parties shall be subject lo prior approval of each party.

Article 6
Disclaimer

Each party will be solely responsible for its own acts and omissions (and the acts and omissions of its employees and other agents) and neither party will have the authority nor will purport to act for, or legally bind, the other party in any transactions with a third party except as agreed in writing by the parties.

Article 7
Joint Co-ordination Commitee

Subsequent to the signing of this MOU, Joint Co-ordination Committee (JCC) consisting of three representatives of each Party will be constituted

for further discussions, development and finalization of the Joint Venture Agreement in furtherance to this MOU.

Each party shall bear its own expenses, including the expenses for travel and stay of its employees, for participation in JCC.

Article 8
Governing Law

1. Except as provided in Article 4 hereof, It Is understood and agreed by both the parties that the understandings set out in this MOU embody the mere declaration of the intentions of the parties and are not intended to be any legal binding commitments on the parties,

2. So far as this Memorandum of Understanding creates any binding obligations as stated under the preceding clause, the same shall be governed and construed in accordance with the laws of Nepal and courts of Kathmandu, Nepal shall have exclusive jurisdiction over it.

Article 9
Settlement of Disputes

In the event of any difference(s) or dispute(s) arising out of the interpretation or application of the provisions of this Memorandum, the parties shall immediately consult each other with the view to expeditiously resolve such differences or disputes in the spirit of mutual understanding and co-operation. In case differences or disputes persist, the same to be finally settled by the Chief Executive Officer (CEO) of NOC and Director (Planning & Business Development) of lOC.

In case of any disputes not resolved by the process as mentioned above then an independent Arbitrator to be appointed as per the prevailing laws of the country, Nepal, to resolve such disputes.

Article 10
Assignment

Either Party shall have the right to assign this MOU to its Affiliates/ Associates/Subsidiaries upon written notice to the other Party. Upon such assignment, its Affiliates / Associates / Subsidiaries shall assume all rights and liabilities / obligations of the Party under this MOU. Assignment of this

MOU by either Party to any other Party, different from the ones permitted above is prohibited.

Article 11
Notices

Any notice required to be delivered hereunder shall be sent to the respective party at the following addresses either by first class registered mail or by courier or telefax.

NOC : Babarmahal,
P.O. Box - 1140
Kathmandu,

IOC : BD-Marketing (2nd Floor),
Scope Complex, Core-2
7, Institutional Area, Lodhi road
New Delhi-110003

In Witness Whereof, the Parties have through their duly authorized representatives signed the Memorandum of Understanding on the date first written above.

For and on behalf of Nepal Oil Corporation:

Signature: **Sd/-**

Name: **Prof. Dr. Opendra Koirala**

In the presence of:

Signature: Sd/-

Name: Dinesh Chandra Pyakurel

Designation: Secretary, Ministry of Industry and Commerce and Supplies, HMG, Nepal.

For and on behalf of Indian Oil Corporation:

Signature: Sd/-

Name: N. K. Nayyar

Director, (Planning and Business Development)

In the Presence of:

Signature:	Sd/-
Name:	R. K. Gupta
Designation	G.M. (B & M)

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115. Media briefing by Foreign Secretary on the visit of Sher Bahadur Deuba, Prime Minister of Nepal to India.

New Delhi, September 10, 2004.

Official Spokesperson: Good afternoon, ladies and gentlemen. It gives me great pleasure to welcome Foreign Secretary to this briefing hall today for a briefing on the visit of the Prime Minister of Nepal. May I request FS to kindly address you and then we will take the questions in the usual fashion.

Foreign Secretary : Good afternoon and welcome to this press interaction. I would like to brief you on the results of the visit of His Excellency Mr. Sher Bahadur Deuba, Prime Minister of Nepal.

As you know, His Excellency along with his delegation has been here on a visit which concludes on the 12th of September. He is here at the invitation of Prime Minister Manmohan Singh. The Prime Minister is accompanied by important members of his Cabinet including Dr. Mohammad Mohsin, who is Minister for Information and Communication, Hon'ble Mr. Badri Prasad Mandal who is the Minister for Forest and Soil Conservation; Hon'ble Mr. Ishwor Prasad Pokhrel, Minister for Industry, Commerce and Supplies, Hon'ble Mr. Thakur Prasad Sharma, Minister of State for Water Resources, and Hon'ble Dr. Prakash Sharan Mahant, who is the Minister of State for Foreign Affairs. There are senior officials accompanying the delegation including the Foreign Secretary and the Secretary of Commerce of Nepal.

The Prime Minister of Nepal has called on the President of India. He has had a meeting with our Prime Minister. Also the Minister of External Affairs, our Defence Minister, Minister of Home Affairs, Minister of Railways

have called on the Prime Minister of Nepal. I think currently, perhaps, the meeting with Shrimati Sonia Gandhi is taking place. He has also received the Leader of the Opposition Shri L.K. Advani. Yesterday in the evening there was an informal get together with some of business leaders. But today there was a formal interaction with the business community organized jointly by the Confederation of Indian Industry (CII) as well as the Federation of Indian Chambers of Commerce and Industry (FICCI).

As far as the substantive discussions are concerned I would like to inform you that there were very wide-ranging discussions which were held in the traditional atmosphere of warmth, friendship and mutual confidence, which characterize our bilateral relations. We undertook a comprehensive review of the entire gamut of our bilateral relations. Both the Prime Ministers in their meeting noted with satisfaction that our relationship which is very wide-ranging, very multifaceted, has strengthened over the years, and reaffirmed their commitment for the further development of bilateral relations in a spirit of equality, mutual respect and trust.

As would be apparent the security situation, security cooperation between the two countries was an important subject in the discussions that we have had. Both the sides have reiterated that they support and cooperate with each other in combating the scourge of terrorism which constitutes a serious threat to the peace and stability in the region and also hampers our socio-economic development. In this context they noted that the Maoist insurgency in Nepal was a common threat to the security of both our countries. The Prime Minister of Nepal thanked the Prime Minister Manmohan Singh for the swift and substantive support which has been provided by India in Nepal's efforts to deal with the Maoist insurgency. For its part the Indian side reiterated its support for the steps taken by the Government of Nepal to maintain peace and security in the country. The Prime Ministers also renewed the commitment of the two countries not to allow their respective territories to be used for any activities inimical to the interests of the others.

In this context, both the Prime Ministers noted the establishment of the India-Nepal bilateral consultative group on security issues. They recognized that this particular consultative group had given a new impetus to our security cooperation and was enabling us to more effectively deal with the security challenges which are faced by our two countries.

As you know, we also have another mechanism which is interaction at the Home Secretary level. We also have set up Joint Working Groups on Border Management at the district level. It was agreed that these were useful mechanisms which had been set up by the two countries and we should implement decisions taken at this fora expeditiously.

The two sides also discussed the Extradition Treaty and the Agreement on Mutual Legal Assistance in Criminal Matters. It was agreed that the Home Secretaries of the two countries would meet before October 2004 and try and finalize these documents.

I would also wish to let you know that we are soon going be launching a pilot programme for the modernization of the Nepal Police. Here, there will be a special focus on counter-insurgency training. The programme also is designed to strengthen the capabilities of the Nepal Police enabling it to deal more effectively with Maoist insurgency.

Economic cooperation, as you would expect, was also an important subject of discussions in the various meetings that Prime Minister Deuba has had in Delhi. Both sides are committed to further deepening and diversifying our bilateral economic cooperation. In this connection both sides noted the progress that had been already achieved and needs to be achieved further in improving and upgrading border infrastructure as well as road and rail connectivity between the two sides of the border. In this connection I would like to inform you that there are four major checkpoints which are going to be upgraded both on the Nepal side as well as on the Indian side. We are also looking to improve the highways which connect the two countries. Several of these highways have been selected. They have been already classified as national highways. Their upgradation and their maintenance will now be the responsibility of the Central Government on our side.

In addition to that we are looking at some railway links which are fairly close to the border. In that connection we are undertaking some projects for the upgradation of these railways lines making them broad gauge and also taking them across the border into Nepal. Once these projects are completed, of course, there will be far better connectivity, ease of movement between the two countries.

There is also, of course, the East-West Highway Optical Fibre Project

which is being undertaken with a grant from the Government of India. The first phase of this Optical Fibre Project which has been undertaken is more or less complete. We are currently in discussion with the Nepalese side to explore ways how optimal use can be made of this network for the benefit of both countries.

In addition, of course, we are undertaking a very large number of small-scale development projects throughout Nepal. These relate to the health sector, education, and community development. These are ongoing and these have been very well received by the people of Nepal. We intend to continue and intensify these development efforts.

The Prime Minister of Nepal also reiterated his proposal made during his last visit to India for the setting up of an institute of technology in the Far-Western region which is a rather under-developed region of Nepal. We have conveyed our commitment to implement this project but this will be done in Phase-I and Phase-II.

Then I would like to turn to the water resources sector. Here again there was a commitment on both sides to intensify our cooperation in this sector both in terms of the flood control benefits that these projects offer as well as in terms of the generation of power. In this connection both sides welcomed the setting up of a joint project office for doing a comprehensive study on the Saptakoshi Project which has very substantial flood control benefits for both countries, irrigation benefits as well as power generation.

We also have the Pancheshwar Project, a very ambitious project, for which a detailed project report is awaiting finalization. There were a couple of issues on which there were differences of opinion. We have now tried to reconcile those differences. I am happy to report to you that the Joint Group of Experts on Pancheshwar will be meeting very soon and we hope to be able to finalize the detailed project report which will clear the way for the implementation of the Project.

The Indian side has also made a bid for the 300 MW Upper Karnali Project, which is a run-of-the-river project. An MoU is under finalization by the two countries. The Indian company which has bid for the project is the NHPC in India.

Both sides have also been looking at ways and means to deal with the problem of flood management and control. In this respect, both the

Prime Ministers in their discussion agreed that we should work together to finalize a comprehensive master plan for forecasting and warning that would help both countries cope with this problem which has a very large human dimension.

There are issues of inundation, cross-border inundation. In this connection we already have an institutional arrangement of the Standing Committee on Inundation Problem (SCIP). We hope that this meeting will also take place shortly. We will be holding, by October 2004, a series of meetings on water resources including the Joint Committee on Water Resources. We believe that through these meetings we will clear the decks for really meaningful cooperation in this sector.

As far as commercial cooperation is concerned, both sides have expressed satisfaction at the growth in bilateral economic and commercial relations in recent years which had been facilitated inter alia the India-Nepal Trade Treaty. When the two Prime Ministers met, they noted the positive developments in this regard. For example, the operationalization of the Inland Container Depot in Birganj. Along with that there has also been the opening of the Consulate General of India again in Birganj. This is expected to further facilitate our cross-border traffic as well as trade.

We hope that the Motor Vehicles Agreement which has been finalized will be concluded soon because this will greatly facilitate cross-border movement of passenger vehicles and strengthen people-to-people linkages.

There are some issues relating to Nepal's export of agricultural and food products. In this connection I would like to state that the Prime Ministers have directed both the sides to expeditiously resolve any outstanding issues and also adopt trade facilitation measures which may be required as quickly as possible.

We are also looking forward to the early conclusion of Investment Promotion and Protection Agreement between the two sides. On Indian joint venture enterprises, Prime Minister of India stressed the need for strengthening security arrangements for them particularly in the context of Maoist threats. This is very important. We appreciate some of the steps which have already been taken by the Government of Nepal but I think more needs to be done.

On commercial investment by Indian companies, both sides welcomed

the commissioning of the first private sector telecommunication venture in Nepal through an India-Nepal joint venture – the United Telecom Limited. They welcomed the agreement between the Indian Oil Corporation and Nepal Oil Corporation for the construction of an oil pipeline between Raxaul in India and Amlekhganj in Nepal. An MoU to this effect was signed during the visit itself.

With respect to some of the agreements which were signed during the visit, I would like to draw your attention to the MoU on cooperation in the field of weather forecasting. Under the MoU, as you might be aware, an INSAT Ground Receiving Facility will be set under a grant from the Government of India. This facility would be of use to Nepal particularly in the field of weather forecasting.

We have also concluded an agreement on cooperation in the fields of culture and sports. A Joint Working Group will be constituted which will meet periodically for the purpose of evaluating cooperation and concluding programmes under this. I have already referred to the MoU between IOC and NOC for a pipeline. There is also bilateral cooperation agreement between the Bureau of Indian Standards and the Nepal Bureau of Standards and Metrology. These are some of the agreements which were signed during the visit.

I would like to say that we consider Prime Minister Deuba's visit to India a very successful visit, as another landmark in strengthening very friendly relations which exist between our two neighbouring countries, and a visit that has resulted in further consolidating the economic and commercial links between our two countries, as also the ongoing security cooperation between our two countries.

I will now take your questions.

QUESTION: What kind of help Nepal asked for in dealing with Maoist insurgency?

FOREIGN SECRETARY: I mentioned to you that we already have a bilateral consultative group on security matters and there is already cooperation taking place under the aegis of that group. There are three components to this cooperation. One is in terms of meeting the requirements of the RNA, meeting the requirements of training, as also exchange of information. This cooperation in fact has been proceeding very satisfactorily.

It was agreed that we will intensify our cooperation in this regard. I also mentioned to you the pilot project that the Government of India has agreed to undertake for the upgradation of the capabilities of the Nepal Police. In this respect also there is both assistance in terms of equipment as well as in terms of trade.

Question : Has the Prime Minister of Nepal, during this visit, expressed satisfaction, or asked you in any way to help with dealing with the Maoists on our side?

Foreign Secretary : In the discussions which were held we certainly touched upon the linkages which we know exist between Maoists in Nepal, as well as certain groups in India including the MCC as well as the PWG. It is precisely for this reason that we have time and again stated that this is, therefore, a shared problem, a shared security threat which both countries need to cooperate together in order to meet this challenge.

Question : Did they express any satisfaction with the cooperation going on?

Foreign Secretary : Yes. As I mentioned to you, both sides expressed satisfaction over the nature of the security cooperation taking place between the two countries and both sides also agreed that this cooperation needs to be strengthened further.

Question : It seems there has been some progress in the talks on Extradition Treaty between India and Nepal. How soon will it be signed? Secondly, did the Prime Minister of Nepal give a specific assurance on the issue of anti-Indian insurgent groups which are operating from Nepal? Did you raise that issue with Nepal?

Foreign Secretary : With regard to the Extradition Treaty and the Mutual Legal Assistance Treaty, most of the issues have been resolved. There are a couple of pending issues which we basically need a practical approach to try and find solutions to. I think both sides have agreed that they can in fact find mutually acceptable solutions. That is why I said that during the next meeting of the Home Secretaries we should be able to resolve these issues finally.

As far as your second question, I think both sides have a mutual interest in controlling criminal activities or hostile activities on both sides of the border and there is a common commitment to that.

Question : We have been hearing a lot about military assistance. What is India's stand on peace talks?

Foreign Secretary : India has publicly stated that we do not believe that a purely military solution is possible to this problem and that peaceful solution should be pursued. The question is what really are we looking at in terms of the peace solution. Our view is that the pursuit of any political objective through violence is something that we do not accept. We have also stated that any pursuit of a peace settlement must be within the parameters of the preservation of multiparty democracy in Nepal and also within the parameters of Constitutional Monarchy.

Question : *Was the issue of ISI funding of insurgents in Nepal discussed? Secondly, some Maoists have been arrested in India and Nepal is demanding that they be handed over to them. Are you going to hand them over to Nepal?*

Foreign Secretary : *No such demand has been made during the visit that this or that person must be handed over to them. However, as I have said, both the Prime Ministers are satisfied with the cooperation in defence sector between our two countries. Both of them agreed on the issue that this cooperation has to be taken further. Cooperation in defence sector is not limited to the context of Maoists only. As I have said, it remains effective in the context of any hostile activity on both sides of the border.*

Question : What about ISI funding?

Foreign Secretary : *We will see any activity in that context.*

Question : There have been reports for quite some time that threats have been posed to businessmen of Indian origin in Nepal. Have we taken this issue up with the Nepalese Prime Minister? What is the assurance we have got from him?

Foreign Secretary : As you know, it is not just that the Indian joint ventures had been subject to threat; other business enterprises in Nepal have also been subject to threats from the Maoists. But I would also like to state here that whenever we have requested the Government of Nepal for increasing the security cover, or providing security cover to Indian joint ventures, we have always had a positive response. We express our appreciation on that. But, the fact is that these threats are there. Whatever action can be taken

by the security authorities in Nepal to deal with these threats we would welcome their cooperation in this respect. But there is a general situation in terms of threats being held out not only to the Indian enterprises as such but the enterprises in general.

Question : Did we raise the issue of Dawood's investments in Nepal? Did we ask them for seizure of assets of terrorists in Nepal? If so, what is the reaction?

Foreign Secretary : There is a Security Council Resolution - it is not India's demand - which has designated certain individuals, or certain organizations against which action needs to be taken in terms of seizure of assets or other financial dealings. In that context we have forwarded whatever information we have from our side. As far as I understand it, the Government of Nepal is taking action to investigate those entities. But first the investigation has to be done. I think Government of Nepal quite rightly has to make its investigations and take whatever action it has to take.

Question : With regard to the Maoists, are you saying that if they give up the gun the social aspect of this will be taken into account?

Foreign Secretary : I really would not like to comment on something which is really a decision for the Government of Nepal to take. But, our position has been that yes there should be peace, it should be a peace which should be within the ambit of the principles of multiparty democracy and Constitutional Monarchy. If there is a desire on the part of the Maoists to enter the political mainstream keeping these principles in mind, I think nobody would object if they also take a chance at the hustings as any other political entity in Nepal. But naturally, taking part in any kind of electoral process cannot be under the shadow of the gun. There should be a clear commitment not to pursue political aims under the threat of violence. So, I think that a political settlement in which the Maoists are ready to come in as a legitimate political entity, abandon violence, take part in a free and fair elections, that is something which we believe perhaps the people of Nepal would welcome.

Official Spoksperson : Thank you, Foreign Secretary, for being with us. *(The text in italics is translated from Hindi.)*

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116. Joint communiqué issued at the end of the visit of the Nepalese Prime Minister Sher Bahadur Deuba to India.

New Delhi, September 12, 2004.

The Rt. Hon. Mr. Sher Bahadur Deuba, Prime Minister of Nepal, paid an official working visit to India from September 8-12, 2004, at the invitation of His Excellency Dr. Manmohan Singh, Prime Minister of India. The visiting delegation included Hon. Dr. Mohammad Mohsin, Minister for Information and Communication, Hon. Mr. Badri Prasad Mandal, Minister for Forest and Soil Conservation, Hon. Mr. Ishwar Pokhrel, Minister for Industry, Commerce and Supplies, Hon. Mr. Thakur Prasad Sharma, Minister of State for Water Resources and Hon. Dr. Prakash Sharan Mahat, Minister of State for Foreign Affairs. The delegation also included officials of His Majesty's Government of Nepal, a business delegation and a delegation of media representatives. Prime Minister Deuba was also accompanied by his wife, Dr. Arzu Deuba.

2. The Prime Minister of Nepal called on His Excellency the President of India, Dr. A.P.J. Abdul Kalam. He had a meeting with the Prime Minister of India, which was followed by talks and luncheon hosted by the Prime Minister of India. Minister of External Affairs Shri K. Natwar Singh, Minister of Defence Shri Pranab Mukherjee, Minister of Home Affairs Shri Shivraj Patil, Minister of Railways Shri Lalu Prasad Yadav, Minister of Water Resources Shri Priyaranjan Dasmunsi, and the Leader of the Opposition in the Lok Sabha Shri L. K. Advani called on the Prime Minister of Nepal. The Prime Minister of Nepal met the Chairperson of UPA and President of Indian National Congress, Smt. Sonia Gandhi as well as former Prime Ministers Shri Chandra Shekhar, Shri H.D. Deve Gowda and Shri A. B. Vajpayee. He also addressed a business meeting organized jointly by the Confederation of Indian Industry and Federation of Indian Chambers of Commerce and Industries.

3. The two Prime Ministers held wide-ranging discussions in an atmosphere of warmth, friendship, openness and mutual confidence, characteristic of the relationship between the two countries. They expressed satisfaction at the progress made in various areas of cooperation between India and Nepal and reiterated the commitment to further develop bilateral relations in the spirit of equality and mutual respect.

Combating Terrorism/Security Cooperation

4. The Prime Ministers reiterated the determination of the two countries in combating the scourge of terrorism. They agreed to further intensify cooperation in curbing the activities of the extremists and terrorists. In this context, they expressed satisfaction at the ongoing cooperation under the existing mechanism in the areas of supply of equipment, training and exchange of information. Prime Minister Deuba thanked the Government of India for the timely and substantive support provided by India in Nepal's efforts to deal with the Maoist insurgency. Prime Minister Dr. Manmohan Singh reassured the support of the Government of India for further strengthening of Nepal's security forces including the Nepal Police.

5. The Prime Ministers stressed the need for an early conclusion of the Extradition Treaty and Agreement on Mutual Legal Assistance on Criminal Matters and directed the Home Secretaries to take up the matter in their next meeting with a view to finalizing the documents. It was noted that the next meeting would take place in October 2004 in New Delhi.

Boundary Demarcation

6. The Prime Ministers expressed satisfaction at the progress made by the Joint Technical Level Boundary Committee and directed the Committee to complete the remaining mandated tasks by June 2005.

Economic Cooperation

7. The Prime Ministers expressed satisfaction at the progress on the implementation of various Nepal-India economic and development cooperation projects. They reiterated their desire to further deepen and diversify such cooperation.

8. The Prime Ministers welcomed the proposal regarding cooperation for development of road network in the Terai, including the development of identified stretches of Hulaki Rajmarg.

9. The Prime Ministers welcomed the idea of cooperation for conservation and development of Churia range in Nepal. A concept paper would be forwarded by the Nepalese side.

10. The Prime Ministers decided that the proposed Institute of Technology in the Far-Western Region of Nepal would be set up in two phases. A team

from India will visit Nepal soon for discussions with His Majesty's Government of Nepal to select a suitable site for the project.

Water Resources

11. Emphasizing the importance of cooperation in the water resources sector, the two Prime Ministers stressed the need for expeditious progress on projects currently under active consideration including Pancheshwar and Upper Karnali. They also directed that work on the preparation of the DPR of Budhi Gandaki project be commenced expeditiously. The two Prime Ministers noted that the next series of meetings of bilateral institutional mechanisms including the meetings of the Joint Committee on Water Resources (JCWR) and the Joint Group of Experts on Pancheshwar would be held by October 2004. They welcomed the establishment of the Joint Project Office for Sapta Koshi Multipurpose Project and Sun Koshi Storage cum Diversion Scheme.

12. The Prime Ministers mandated the Joint Committee on Water Resources to prepare a comprehensive strategy for flood management and control, including measures that can be implemented in the short to medium term. The Prime Ministers directed the Standing Committee on Inundation Problems and the High Level Technical Committee to resolve all inundation and embankment related issues soon.

Trade, Transit and Investment

13. The Prime Ministers welcomed the operationalization of the Inland Container Depot and the opening of the Consulate General of India in Birgunj.

14. The Prime Ministers directed the concerned officials to discuss the matter related to use of the ICD for carrying of cargo for bilateral trade.

15. They stressed the need for an early formalization and implementation of the Motor Vehicles Agreement.

16. The Prime Ministers directed the two sides to expeditiously resolve outstanding trade issues, including in removing some practical problems in the implementation of the Treaty of Trade and to implement agreed trade facilitation measures speedily. They decided to accord priority, in particular, to addressing issues relating to quarantine and testing procedure for Nepal's export of agricultural and food products, including Vanaspati Ghee.

17. The Government of India agreed to consider the utilization of Jawaharlal Nehru Port in Mumbai for Nepal's use of its transit cargo.

18. The Prime Ministers agreed to direct the concerned officials to finalize arrangements for improving border infrastructure at four major customs points, and for development and upgradation of rail and road networks on both sides.

19. The Prime Ministers welcomed the agreement between Bureau of Indian Standards and Nepal Bureau of Standards and Metrology as first step towards mutual recognition of certification systems.

20. The Prime Ministers welcomed the agreement between Indian Oil Corporation and Nepal Oil Corporation for a joint venture regarding construction of an oil pipeline between Raxaul (India) and Amlekhgunj (Nepal).

21. The Prime Ministers agreed to further strengthen the policy framework for bilateral investments, inter alia, through speedy conclusion of a Bilateral Investment Promotion and Protection Agreement.

Culture and Sports

22. The Prime Ministers welcomed the conclusion of the Agreement on Cooperation in the fields of Culture and Sports, which would provide the necessary framework for institutionalized cooperation in these areas.

Science and Technology

23. The Prime Ministers welcomed the conclusion of Memorandum of Understanding on Cooperation in the field of Weather Forecasting, which envisages the setting up of an INSAT Ground Receiving Station in Nepal.

1950 Treaty of Peace and Friendship

24. The Prime Ministers directed the Foreign Secretaries to continue discussion on the review of the 1950 Treaty of Peace and Friendship with a view to further strengthening the bilateral relations.

Invitation

25. Prime Minister Dr. Manmohan Singh accepted the invitation extended by Prime Minister Deuba for an official visit to Nepal at a convenient date.

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117. Clarification provided by Official Spokesperson on a newspaper report about an aircraft carrying American arms supply for Nepal.

New Delhi, September 29, 2004.

"Government of India is aware of the supply of certain explosives and ammunitions by the US Government to Nepal for use in its training programme for Nepalese Police in counter-insurgency operations. After completing necessary internal procedures, the clearance for this flight, subject to standard stipulation, was issued yesterday. The flight arrived at Ahmedabad Airport today morning and has left for Kathmandu after mandatory checks.

The report is highly exaggerated and over-dramatizes what is a routine procedure."

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PAKISTAN

118. Interview by External Affairs Minister Yashwant Sinha to the Associated Press of Pakistan.

Islamabad, January 2, 2004.

Question : What are the prospects of a bilateral meeting, Excellency between You and Pakistani leadership on the margins of SAARC Summit in Islamabad.

Answer :I am going to Islamabad to attend the SAARC Summit. No bilateral meeting has been fixed. But, there will obviously be occasions when I will be together with the Foreign Minister of Pakistan along with the other Forei

gn Ministers.

Question : How do you view the recent positive development in Indo-Pak ties.

Answer :I believe that the initiative our Prime Minister took on April 18 to

extend, once again, the hand of friendship to Pakistan has gained significant momentum, spurred by the tremendous popular response it has generated on both sides. Some significant confidence building measures have also been implemented, such as the cease-fire along the international border, Line of Control and the Actual Ground Position Line in Jammu & Kashmir. We should continue with this process and work towards creating an atmosphere of cooperation and understanding, which would enable us to address our differences meaningfully.

Question : Do you think that Nuclear Confidence Building Measures are indispensable to ensure that South Asian Region is nuke-free zone.

Answer : India remains committed to a global elimination of all Weapons of Mass Destruction. We have taken several initiatives to promote this objective. Our nuclear doctrine is one of restraint and responsibility. We believe that CBMs are an important component in a productive dialogue process. With this in mind we had agreed to some important CBMs during the Lahore summit.

Question : Are you satisfied with the pace of peace process between the two countries.

Answer : After the experiences of Lahore in 1999 and Agra in 2001, we have come to believe that being slow and steady is at times better than trying to hurry up things. We have, therefore, adopted a step by step approach to normalising relations with Pakistan. Instead of starting at the Summit and attempting to force the pace at the top, we are moving step by step, brick by brick, to build a strong foundation and a firm edifice. We will build further upon the successes achieved and the support generated.

Question : Being an architect of present peace process, what impetus you would like to inject to these overtures at this stage to rope in the real raison d'etre of sustainable normal and friendly ties between the two countries.

Answer :I am personally satisfied at the pace and direction of the peace process. For it to be sustainable, however, the complete stoppage of cross border terrorism by Pakistan remains a pre-requisite.

The raison d'etre, as you put it, of sustainable, normal and friendly ties between India and Pakistan, is the desire of people in both countries to live in peace and amity. I am glad that as a result of the April 18 initiative of the Prime Minister of India, people of the two countries have themselves

become active participants, actors and pacesetters. Their message will be taken note of by the leadership.

Question : Can you identify the time-span for the commencement of composite and purposeful dialogue to resolve all outstanding issues including Kashmir dispute between India and Pakistan.

Answer : On the issue of dialogue with Pakistan, our position has been consistent. Creating conditions for a sustained and productive dialogue necessarily requires an end to cross border infiltration and terrorism. Since the cease-fire came into effect on the happy occasion of Eid, there has been some decline in infiltration. However, we see no evidence of irreversible steps being taken to dismantle the infrastructure of support to terrorism in Pakistan. If the necessary conditions are created, India has no hesitation as far as commencement of the composite dialogue process is concerned.

Question : What message would you like to give in the run up to the SAARC Summit, being held in Islamabad to expedite the peace overtures.

Answer : My primary message is to the people of Pakistan. It is that the people of India and its elected government desire nothing but peace and friendship with Pakistan. We must shed the negative mindset and unifocal approach which has kept progress in our relations hostage. India will not be found wanting in any endeavour for peace and stability in the Subcontinent.

Question : Are you hopeful of peaceful settlement of Kashmir dispute in the foreseeable future, which has been termed as the only issue between India and Pakistan and rest as minor irritants.

Answer : We do not view Jammu and Kashmir as the core issue in India-Pakistan relations. It is only a symptom of the problems we have, on account of our long history of tension and mistrust. Therefore, Pakistan must stop cross-border terrorism and abandon its insistence on the "centrality" of the Kashmir issue. Let our two countries agree to promote mutually beneficial trade and economic ties, strengthen cultural relations, and encourage greater people-to-people contacts. Once our two peoples experience the fruits of a tension-free and cooperative environment, we will be able to address our differences productively.

Question : How do you view the statement of former US Secretary of State

Madeleine Albright in New Delhi for plebiscite in Kashmir to ascertain the wishes of the Kashmiri people and for lasting solution to the dispute.

Answer : As a private citizen, Mrs. Albright is entitled to her views. However, the US State Department reacted quite differently in commenting on a recent statement by President Musharraf on the same subject. We are quite clear in our minds that the people of Jammu and Kashmir exercised their right of self determination a long time ago when the State acceded to India. They have repeatedly reposed their faith in the Indian democratic system. They braved the bullets of terrorists to participate overwhelmingly in the elections to the State Assembly in October last year. The only thing that remains for a lasting solution is for Pakistan to vacate its illegal occupation of Jammu and Kashmir.

Question : What measures are required to be taken to strengthen the SAARC Forum for the betterment of this region.

Answer : The main requirement is not to allow our differences to suppress our natural complementaries in commerce, and to work sincerely towards making SAPTA meaningful and SAFTA a reality. Greater trade between the countries of South Asia is a win-win situation for all. Increased trade would lead to increase in investment in communications and infrastructure. There would be a whole range of other spin-off benefits such as increased revenues generated from taxes, increased employment and higher incomes. All this would translate eventually into higher standards of living for the people of our region. We have even suggested that we should start moving towards a South Asian Union. A South Asia with one currency, one tariff regime and free movement of goods, services and people would lead not only to greater economic benefits but also to more open national boundaries and eventually to the resolution of political differences.

Question : What steps are needed to be initiated to check the arms race in this region.

Answer : Each country assesses its defence requirements in the light of its own security environment. We have never believed in an arms race. We have never coveted territory or had aggressive intentions towards any of our neighbours. At the same time, we have dealt firmly with threats to our security and territorial integrity. Our defence policy is guided only by this objective.

Question : Visa applicants are confronted with untold problems and inconveniences owing to meagre staff in the High Commissions of both countries after enhanced people to people contacts and resumption of road and air links. Is their any proposal to revive the original strength of respective High Commissions before SAARC Summit.

Answer : As we move step by step to normalise relations with Pakistan, and as disrupted transport and communication links resume and new ones are implemented, I am sure due attention would be paid to augmenting the strength of the respective High Commissions.

Question : What precautions are underway to keep the momentum of CBMs high and check negative forces, which can try to derail the peace process at any stage.

Answer : The only way to check these negative forces is to give them no support and sanctuary. The two recent assassination attempts on General Musharraf underscore the need to root out terrorism completely from our midst.

We are continuing with our step-by-step process and additional measures to improve interaction.

Question : What is the future of your proposal of open border and single currency for SAARC member countries.

Answer : The concept of a South Asian Economic Union is not just my proposal. It was also mooted by the Group of Eminent Persons set up by the Ninth SAARC Summit to identify measures to further vitalise and enhance the effectiveness of SAARC. In its report the Group of Eminent Persons had suggested that at the first stage a South Asia Free Trade Area (SAFTA) should be created and fully operationalised by the year 2010. At the second stage there should be a Customs Union by the year 2015 and finally, in the third stage, a South Asian Economic Union should be set up by the year 2020. Obviously open borders and a common currency can become a reality only if all member countries of SAARC share this objective. The pace would depend on the steps taken by the individual countries to harmonize their economic and monetary policies. We do not want to impose anything on the member countries of SAARC; all seven countries should be comfortable with the pace at which we proceed in the direction of a

South Asian Union. India is ready to move now.

Question : What future measures would you like to propose to consolidate the ceasefire along the Line of Control and Siachen area.

Answer: We want to convert the ceasefire into a permanent one.

Question : Fencing of LOC by India, according to Pakistan, can have negative impact on peace process. Would you like to comment.

Answer : Our fencing activity along the Line of Control is purely defensive in nature and not in violation of any valid agreement. It is barred neither by the Simla Agreement nor the Agreement on the Delineation of the Line of Control which had been signed in December, 1972. Fencing was an operational requirement imposed on us by the continuing cross border infiltration and terrorism. In any case, I am sure that you are aware of India's position that the entire State of Jammu & Kashmir is an integral part of the country.

Question : Do you foresee any slow-down in peace process owing to forthcoming Lok Sabha elections next year.

Answer : India's relationship with Pakistan is not an electoral issue. There is no connection, therefore, between our peace moves with Pakistan and Lok Sabha elections.

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119. Press conference by External Affairs Minister K. Natwar Singh and National Security Advisor Brajesh Mishra at the end of the SAARC Summit.

Islamabad, January 6, 2004.

Please See Document No. 94.

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120. Joint India-Pakistan press statement issued after consultations between Prime Minister of India and President of Pakistan.

Islamabad, January 6, 2004.

The President of Pakistan and the Prime Minister of India met during the SAARC summit in Islamabad.

The Indian Prime Minister while expressing satisfaction over the successful conclusion of the SAARC summit appreciated the excellent arrangements made by the host country.

Both leaders welcomed the recent steps towards normalisation of relations between the two countries and expressed the hope that the positive trends set by the CBMs would be consolidated.

Prime Minister Vajpayee said that in order to take forward and sustain the dialogue process, violence, hostility and terrorism must be prevented. President Musharraf reassured Prime Minister Vajpayee that he will not permit any territory under Pakistan's control to be used to support terrorism in any manner. President Musharraf emphasised that a sustained and productive dialogue addressing all issues would lead to positive results.

To carry the process of normalisation forward, the president of Pakistan and the Prime Minister of India agreed to commence the process of the composite dialogue in February 2004. The two leaders are confident that the resumption of the composite dialogue will lead to peaceful settlement of all bilateral issues, including Jammu and Kashmir, to the satisfaction of both sides.

The two leaders agreed that constructive dialogue would promote progress towards the common objective of peace, security and economic development for our peoples and for future generations.

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121. Press interview by External Affairs Minister Yashwant Sinha to the London based daily *Financial Times.*

New Delhi, January 15, 2004.

{Editor's note: *Last week's meeting of the leaders of India and Pakistan was a model of disciplined diplomacy, India's foreign minister tells Andrew Gowers and Edward Luce.}*

Few relationships have been as subject to rumour, speculation, treachery or counter-theory as those between India and Pakistan. For more than 56 years the two countries have blown hot and cold over the disputed state of Kashmir, both with the gun and the megaphone.

Which makes the latest peace effort - formally launched in Islamabad last week -all the more unusual. In contrast to earlier attempts, notably the first and only summit between Atal Behari Vajpayee, India's Prime Minister, and Pervez Musharraf, Pakistan's President, in 2001, last week's meeting was a model of bilateral discipline.

In an interview with the Financial Times, Yashwant Sinha, India's Foreign Minister, said the latest peace process with Pakistan was built, as much as anything, on moderation of language. Both sides had painstakingly agreed to talk openly only to each other and with great "circumspection" to the rest of the world.

Pakistan's willingness to follow this course had persuaded Mr Vajpayee to sign up to the talks last week. This was in stark contrast to India's account of the last summit in 2001, which was held in the shadow of the Taj Mahal. That meeting collapsed amid acrimony, some of which, according to India, had been generated by Gen Musharraf's insistence on publicly describing Kashmiri "terrorists" as "freedom fighters".

"The critically important thing [In Islamabad last week] was the desire on the part of both countries not to upstage one another," said Mr Sinha, "It was a matter of great satisfaction that there was no attempt (by Pakistan) to project it as their victory or to put India down."

There was plenty in the 153 -word statement issued by India and Pakistan to inflame hardliners in either country. India's key concession was the following sentence: "The two leaders are confident that the resumption

of the composite dialogue will lead to peaceful settlement of all bilateral issues, including Jammu and Kashmir, to the satisfaction of both sides".

By agreeing to discuss Kashmir straight away (the talks formally begin next month), Mr Vajpayee has implicitly diluted India's insistence that it would discuss the divided province only after Pakistan had started dismantling the terrorist groups that allegedly operate from its soil. Officials worry that another big terrorist attack on Indian soil over the next few weeks would be used by critics to question the wisdom of Mr Vajpayee's diplomacy."

'The critically important thing was the desire by both countries not to upstage one another'

If anything untoward happened, of course there would be people who would say 'I told you so'," said Mr Sinha. "In both countries there are plenty of people who think the other can never be trusted. I hope they will be proved wrong this time."

But few doubt that Gen Musharraf, who in the past five weeks has narrowly survived two assassination attempts by suspected Islamist groups, has taken a much greater personal risk than Mr Vajpayee. Pakistan's key - and deal-making – sentence was: "President Musharraf reassured Prime Minister Vajpayee that he will not permit any territory under Pakistan's control to be used to support terrorism in any manner."

By using the word terrorism without putting "freedom fighters" in brackets, Gen Musharraf conceded almost everything that India wanted. By also agreeing to the phrase "any territory under Pakistan's control", he implicitly agreed his undertaking also encompassed the portion of Kashmir, which Pakistan administers (roughly a third), and from which the jihadi groups mostly operate.

Mr Sinha expressed much less satisfaction with the public statements of other countries -although he did not mention any by name. But a number of western officials, including Colin Powell, US Secretary of State, have claimed partial credit for the new climate of detente in south Asia.

"When Mr Vajpayee offered his 'hand of friendship' to Pakistan [in April last year], it took the whole world by surprise," said Mr Sinha. "People in India and Pakistan would not like to think this [peace process] was the result of any third party pressure - and it is not even true."

Mr Sinha stressed the most important aspect of last week's agreement was the nine months of "normalisation" that preceded it. This had included the restoration of transport links between India and Pakistan, the resumption of sporting ties, with India's agreement to conduct its first cricket tour of Pakistan in years, and a resumption of "people-to-people" ties across the border.

However, in keeping with India's newfound linguistic discipline, Mr Sinha did not mention the most important fact of all - that it is almost certainly the same groups who are fighting Indian armed forces in Kashmir that are now strenuously trying to kill Gen Musharraf.

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122. Joint Statement issued at the end of the meeting between the Foreign Secretaries of India and Pakistan.

Islamabad, February 18, 2004.

The Foreign Secretaries of Pakistan and India met in Islamabad on February 18, 2004.

2. They reviewed and endorsed the agreement worked out at the Director General/Joint Secretary level meetings on February 16-17[1] on the modalities and timeframe for discussions on all subjects on the agenda of the Composite Dialogue.

3. Both sides agreed that they would approach the composite dialogue with the sincere desire to discuss and arrive at a peaceful settlement of all bilateral issues, including Jammu & Kashmir, to the satisfaction of both

1. When the talks were in progress on the first day (February 16) as a gesture of friendship to the people of Pakistan it was announced in New Delhi that:
"Government of India have decided to release and repatriate 4 Pakistani civilians detained in Gujarat and 4 Pakistani boys who were detained at Faridkot Juvenile Detention Center and this will take place on the February 17, 2004. The civilians were granted consular access on May 19, 2003 and travel documents were then issued to them on 12th January. As regards the boys, there were 8 boys in all and consular access was granted on October 3, 2003. Out of these 8 boys, one boy has already been repatriated on November 14, 2003 and travel documents for 4 others have now been issued by the Pakistan High Commission and they are expected to be repatriated tomorrow. Nationality of 3 other boys including a boy aged 10 years has not yet been confirmed by the Pakistani authorities."

sides. They reiterated their commitment to promote progress towards the common objective of peace, security and economic development for their peoples and for future generations.

4. They agreed to the following schedule of meetings:

i. Foreign Secretaries would meet in May/June 2004 for talks on Peace and Security including CBMs; and Jammu & Kashmir.

ii. Talks on Siachen; Wullar Barrage/Tulbul Navigation Project; Sir Creek; Terrorism and Drug Trafficking; Economic and Commercial Cooperation; and Promotion of Friendly Exchanges in Various Fields would be held at the already agreed levels, in July 2004.

5. The following technical level meetings would be held earlier:

a. Meeting between Director General Pakistan Rangers and Inspector General Border Security Force in March / April 2004;

b. Expert level talks on Nuclear CBMs in the latter half of May 2004;

c. Committee on Drug Trafficking and Smuggling in June 2004.

6. They reviewed the existing links between the Directors General Military Operations of Pakistan and India and agreed to consider further strengthening these contacts.

7. The Foreign Minister of Pakistan and the External Affairs Minister of India would meet in August 2004 to review overall progress. This would be preceded by a one day meeting of the Foreign Secretaries.

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123. Statement by Official Spokesperson regarding US proposal to designate Pakistan as a major Non-NATO ally.

New Delhi, March 20, 2004.

We have seen the statement made in Islamabad by the US Secretary of State on March 18 on a prospective notification to the US Congress to designate Pakistan as a major non-NATO ally for the purposes of military-to-military relations.

The Secretary of State was in India just two days before this statement was made in Islamabad. While he was in India, there was much emphasis on India-US strategic partnership. It is disappointing that he did not share with us this decision of the United States Government.

We are studying the details of this decision, which has significant implications for India-US relations. We are in touch with the US Government in this regard.

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1. On March 23 the Official Spokesperson was asked some further questions on this subject. They are:

Question: There are two major things. Somebody has written that Mr. Sinha has spoken to Mr. Powell who has offered an apology. The second is that Bush has said that they have offered that India can also have the same status.

Answer: To answer your first question. We have seen that report in one of the newspapers today. It is not an accurate characterization of the conversation that took place between the Minister and Secretary Powell. It is correct that US Secretary of State Powell telephoned EAM on March 21 and he had been trying to reach EAM since March 19 but EAM had not been able to receive his calls as he was engaged in campaigning. Secretary Powell referred to the way in which the US announcement about designating Pakistan as a major non-NATO Ally had emerged and said that their intention had not been to spring a surprise on India. As far as your second question is concerned I have seen remarks ascribed to the White House Spokesman. In response to that I can say that we have not given any consideration to that kind of relationship with the United States.

Question: There were speculations in the government corridors that India could consider joining NATO.

Answer: I am not going to comment on speculations of which I am not aware.

Question: There was also talk about India, US and Israel forming a strategic alliance.

Answer: Let us not mix issues. That issue has been explained to you on several occasions. The context in which that statement was made in the context of democracies and democracies fighting terrorism.

Question: But we are not averse to such a status.

Answer: I said we have not given any consideration to that kind of relationship with the United States.

Question: Have we been proposed any time frame?

Answer: I have no information to add to that. I have seen the remarks that you have seen.

124. Statement by Foreign Secretary Shashank articulating consistent policies of the Government of India towards Pakistan.

New Delhi, May 31, 2004.

In response to questions Foreign Secretary Shri Shashank made the following statement:

We are somewhat surprised at the reactions in Pakistan to some of EAM's recent articulations of consistent policies of the Government of India, the policies that have been followed over decades and despite several changes in Government.

The Simla Agreement has been the bedrock of India-Pakistan relations since July 1972. It provides the framework for our relations, and commitment both to dialogue for resolving differences and not to take any unilateral actions.

EAM has, on all occasions, clearly said that we will abide by the framework of the Simla Agreement, all subsequent agreements and declarations and the January 6 Joint Press Statement, when the Prime Minister of India had visited Islamabad, and after his meeting with the President of Pakistan. This fact seems to have been deliberately ignored. Suggestions or inferences that there are differences in intent between these documents, and that some of them would not be given due significance, are obviously erroneous.

Similarly, it has been our consistent policy that difficult issues between India and Pakistan can be addressed productively only when there is an atmosphere of cooperation, goodwill and understanding. These can be generated through enhanced interaction and exchanges. Obviously, we intend to pursue with this approach.

We have clearly laid out a framework for the Composite Dialogue in the coming months. That process would provide us the opportunity to discuss all these issues and any unnecessary apprehensions in detail. Till then it would perhaps be better to avoid any uncalled for controversy in or through the media.

We would like to reiterate that our approach is one of friendship and

cooperation. We hope that the seriousness and sincerity with which we are committed to engagement in the bilateral dialogue process with Pakistan will be respected by the Government of Pakistan, and an atmosphere free from the menace of terrorism and violence created to take forward and sustain the process.

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125. Statement by Official Spokesperson on Certain remarks attributed to the Indian External Affairs Minister.

New Delhi, June, 5, 2004.

The External Affairs Ministry spokesman said that the "purported remarks" attributed to the External Affairs Minister, Natwar Singh, in certain magazines had been "taken completely out of context" and did not reflect the "well-articulated views of the Dr. Manmohan Singh Government."

In a statement, the spokesman said the Ministry had seen the interviews with Mr. Singh in certain magazines attributing remarks regarding the Pakistan President, Pervez Musharraf, to the External Affairs Minister.

"I am authorised to say that the purported remarks have been taken completely out of context and do not reflect the well-articulated views of the Dr. Manmohan Singh Government," he said.

"We are committed to having the closest relations with our neighbours, particularly Pakistan. The External Affairs Minister has just returned from Nepal after a highly successful visit, contrary to the impression being created by such reports."

"We hold the leadership of Pakistan and all our friends in the highest esteem," he added.

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126. Media briefing by Official Spokesperson of the telephonic call by Pakistani Foreign Minister Khurshid M. Kasuri to External Affairs Minister K. Natwar Singh.

New Delhi, June 6, 2004.

Pakistan Foreign Minister Khurshid Kasuri spoke on telephone to External Affairs Minister Shri Natwar Singh today. During the conversation Shri Natwar Singh said that in keeping with the well articulated policy of the Government, the dialogue process with Pakistan would be carried forward in every area and contacts would be further intensified. Both sides had vested interests in promoting good bilateral relations between the two countries. EAM said that we hold Pakistan leadership in the highest esteem. EAM reiterated that the future of Indo-Pak relations does not lie in the past.

- Mr. Kasuri fully reciprocated these views and thanked Shri Natwar Singh. expressing full respect for responsible media on both sides, the two leaders agreed that distortions in the media should be ignored.

- Shri Natwar Singh also quoted an urdu couplet to Mr. Kasuri:

  " Kuch nahin to kam se kam khwab-e-sehr dekha to hai jis taraf dekha na tha ab tak, udhar dekha to hai"

- Mr. Kasuri appreciated the sentiments contained in the couplet.

  -Call was put through at Mr. Kasuri's initiative.

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127. Remarks of External Affairs Minister K.Natwar Singh to journalists while in London.

London, June 16, 2004.

The scope of the current dialogue between India and Pakistan would be "enlarged" to give it a new momentum, the External Affairs Minister, Natwar Singh, said.

He said he would be meeting the Pakistani Foreign Minister, Khurshid Mehmud Kasuri, soon. "We will try and enlarge the scope of the subjects we discuss and we will carry the dialogue further", he added.

He said the Congress president, Sonia Gandhi, had accepted the invitation to visit Pakistan, but no dates had been fixed yet.

At a press after meeting his British counterpart, Jack Straw, Mr. Singh said the Congress was always in favour of a dialogue with Pakistan despite cross-border terrorism. The Congress-led Government in New Delhi would work for resolving all outstanding issues with Pakistan within the framework of the Shimla Agreement, the Lahore accord and the joint statement issued by the two countries in January this year, he said.

However, Mr. Singh denied that the issue of redrawing the existing borders was under consideration.

"The question of altering the borders does not arise until we reach a broad stage of what we discuss so that neither of us lose out," he said in Hindi replying to a question from the BBC's Hindi service.

On Iraq, Mr. Singh ruled out sending troops to the war-torn country saying the "Question doesn't arise." The Indian Government's position, he stressed, was based on national consensus, reflected in a resolution of Parliament. India welcomed the new U.N. resolution on transfer of sovereignty to the Iraqis and said it would keep the situation under constant review.

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128. Joint statement issued on the conclusion of the India-Pakistan Expert Level Talks on Nuclear Confidence Building Measures.[1]

New Delhi, June 20, 2004.

In accordance with the agreement between the Foreign Secretaries of India and Pakistan in February 2004, Expert Level talks on Nuclear Confidence Building Measures were held in New Delhi from 19-20 June 2004.

Dr. Sheel Kant Sharma, Additional Secretary (IO), headed the Indian delegation and Mr. Tariq Osman Hyder, Additional Secretary (UN and EC) led the Pakistan side. The visiting Pakistani delegation also called on the External Affairs Minister, Shri K. Natwar Singh, the National Security Adviser, Shri J.N. Dixit and the Foreign Secretary, Shri Shashank.

The talks were held in a cordial and constructive atmosphere.

Both sides:

Conscious of the need to promote a stable environment of peace and security between the two countries,

Recognising that the nuclear capabilities of each other, which are based on their national security imperatives, constitute a factor for stability,

Committed to national measures to reduce the risks of accidental or

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1. On June 19, at the end of the first day's talks the Spokesman of the MEA made the following statement:
"We have already circulated the agreed Press Statement on India-Pakistan expert Level Talks on Nuclear CBMs. I will read that out and give some additional information on the rest of the meetings during the day.
"The talks were held in a cordial and constructive atmosphere. Both sides approached the talks in a positive framework, aimed at taking the process forward, and making them result oriented.
The two delegations identified areas of convergence, including in the context of multilateral fora. They also exchanged views on their respective security concepts and nuclear doctrines, and agreed to elaborate and work towards CBMs.
The discussions will continue tomorrow."
In addition, the delegation from Pakistan paid courtesy call on the External Affairs Minister Mr. K. Natwar Singh, National Security Advisor, Mr. J.N. Dixit and on the Foreign Secretary, Mr. Shashank. EAM and the other interlocutors welcomed them and encouraged the delegations to continue their work in a result-oriented framework.

unauthorised use of nuclear weapons under their respective controls and to adopt bilateral notification measures and mechanisms to prevent misunderstandings and misinterpretations,

Conscious of their obligation to their peoples and the international community,

Committed to work towards strategic stability,

Agreed on the following:

* The existing hotline between the DGMOs would be upgraded, dedicated and secured.

* A dedicated and secure hotline would be established between the two Foreign Secretaries, through their respective Foreign Offices to prevent misunderstandings and reduce risks relevant to nuclear issues.

* Both countries will work towards concluding an Agreement with technical parameters on pre-notification of flight testing of missiles, a draft of which was handed over by the Indian side.

* Each side reaffirmed its unilateral moratorium on conducting further nuclear test explosions unless, in exercise of national sovereignty, it decides that extraordinary events have jeopardised its supreme interests.

* Both countries would continue bilateral discussions and hold further meetings to work towards the implementation of the Lahore MoU of 1999.

* Both countries will continue to engage in bilateral consultations on security and non-proliferation issues within the context of negotiations on these issues in multilateral fora.

* both countries called for regular working level meetings to be held among all the nuclear powers to discuss issues of common concern.

both sides agreed to report the progress of the talks to the respective Foreign Secretaries who would meet on 27-28 June 2004.

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129. Media briefing by Official Spokesperson on the meeting between External Affairs Minister K. Natwar Singh and Pakistani Foreign Minister Khurshid M. Kasuri on the margins of the Asia Cooperation Dialogue in Qingdao (China).

New Delhi, June 21, 2004.

External Affairs Minister had a warm and productive meeting with his Pakistani counterpart over a working lunch.

This was their first direct meeting following upon the several telephonic conversations between them. This was also the first high-level direct political contact after the new government took over in India.

The two Ministers reviewed the progress in all aspects of bilateral relations including Jammu and Kashmir, and implementation of the framework for the dialogue process worked out in February by the Foreign Secretaries of the two countries.

They assessed positively the progress in the discussions held, including the meetings between BSF and Pakistan Rangers, the Narcotics Control Authorities of the two countries and the Expert Level dialogue on Nuclear CBMs. They welcomed the agreement worked out in the meeting which concluded yesterday, to establish and upgrade communications, and work for specific CBMs, including through the agreement on advance notification of missile tests. India and Pakistan have also called for regular working level meetings to be held among all the nuclear powers to discuss issues of common concern[1].

They reiterated that they looked forward to the meeting of the Foreign Secretaries scheduled for June 27 – 28 and to concrete outcomes from that meeting so as to take forward the present process[2].

The two Ministers agreed to remain in regular touch and provide

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1. EAM separately told the *Hindu* on telephone from Qingdao that the two countries had agreed in principle to reopen their Consulates in Karachi and Mumbai. He further said that India and Pakistan had agreed to restore to 110 each the staff strength of their respective High Commissions in Islamabad and New Delhi. He however made it clear that no timeframe had been fixed for reopening the two Consulates.
2. The Untied States welcomed the meeting between the two Foreign Ministers saying this

continuous political guidance to the on-going process. They expect to meet each other on several occasions over the next two months[1].

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130. Joint press release issued at the end of the India-Pakistan Secretary level talks on Baglihar Hydroelectric Project.

New Delhi, June 22, 2004.

Secretary level talks between India and Pakistan on the Baglihar Hydroelectric Project were held at New Delhi on June 22, 2004. The Pakistan delegation was led by Mr. Ashfaq Mahmood, Secretary (Water & Power) and the Indian delegation was led by Shri V.K. Duggal, Secretary (Water Resources).

Prior to the meeting, the Pakistan delegation called on Shri Priyaranjan Dasmunsi, Hon'ble Minister of Water Resources, on June 21, 2004.

The talks were held in a very cordial & friendly atmosphere and in the spirit of goodwill & cooperation.

The two Secretaries discussed ways and means to resolve technical

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was an opportunity for further progress in "comprehensive engagement" as well as in taking concrete steps to lower the risk of accidental or intentional use of nuclear weapons. Asked to comment on the meeting in China between EAM and his Pakistani counterpart the State Department spokesman Richard Boucher said: "We applaud the efforts that are being made by India and Pakistan to try to make progress in their bilateral dialogue. We have supported that dialogue in our contacts with the new Government in India as well as our continuing contacts with the Government of Pakistan. This is the latest….in a series of discussions they have had. We are glad to see these are going forward…and we really appreciate the efforts on both sides to reduce tension."

1. EAM told the Press Trust of India on June 22 in Qingdao that "India is committed to resolve all differences with Pakistan bilaterally through negotiations and the highest level meeting between the two Foreign Ministers here has paved the way to take the composite dialogue process forward." "We in India have always been committed to resolving all our differences with Pakistan bilaterally and through negotiations," Singh told the PTI, a day after holding in-depth talks with his Pakistani counterpart Khurshid Mehmood Kasuri on the sidelines of the ACD meeting. "I had an extremely warm and productive meeting with my distinguished colleague, Foreign Minister Kasuri of Pakistan," EAM who invited Kasuri for a working lunch said. "We have already established an excellent working relationship between us through several telephonic conversations earlier. Through this meeting we have been able to further cement this process", said Minister Singh.

concerns relating to the Project and shared their assessments on this issue. They will now report back to their respective Governments[1].

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131. Media briefing by Official Spokesperson on the meeting between Foreign Secretaries of India and Pakistan.

New Delhi, June 27, 2004.

Official Spokesperson:

As you are aware, Foreign Secretaries of India and Pakistan met today to commence the Composite Dialogue. They discussed the subject of Peace and Security, including Confidence Building Measures. Ideas and proposals were exchanged to take the process further. Discussions were held in a positive and constructive atmosphere. Talks tomorrow will be on Jammu and Kashmir.

As the talks are still in progress, I would like to keep this briefing short and hopefully sweet.

Question: What proposals were exchanged?

Answer: I would not like to go into the details of the proposals today. The talks are still going on and I am sure that by the time we end the second round you will have a fair idea of what was discussed. But I can tell you that today the discussions focused, as they were expected to, on peace and security including Confidence Building Measures. We already have some Confidence Building Measures on the table. We also have the results of the Expert level meeting on nuclear CBMs, which took place in Delhi last week and proposals arising out of that. Then there are other proposals aimed to better communications, and others arising out of humanitarian concerns.

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1. At the conclusion of the talks, the leader of the Indian delegation and Secretary, Water Resources V.K. Duggal said: "The issues were discussion with total understanding towards the point of taking them to a resolution." Pakistan's Water Resources Secretary Ashfaq Mehmood said: "We had good discussion with an open mind, in an atmosphere of give and take and have covered sufficient ground" adding that "it is win-win situation."

These are proposals which are aimed to increase mutual trust and confidence and create better relations between the two countries in keeping with our commitment.

Question: Just before the talks there was a major incident in Pulwama…(inaudible)?

Answer: As I said the talks are still going on so let me not go into a point by point thing on what has been discussed today, what is being discussed tomorrow. At the end of the talks we will give you a full appreciation.

Question: You mentioned about humanitarian measures. Was the issue of opening Consulates in Karachi and Mumbai discussed?

Answer: That is not what I had in mind, but since you have brought up that issue, it is an issue that has already being discussed by the two Foreign Ministers in Qingdao. I can say that that issue has been discussed and we will let you know how things proceed tomorrow.

Question: You had mentioned at the conclusion of the expert level meeting on Nuclear CBMs that the conclusions would be reported to the Foreign Secretaries. Specifically, on the notification of missile tests, was there any discussion today?

Answer: Well you are quite right that the conclusions of the expert level meetings are brought to the Foreign Secretaries because in the Composite Dialogue Process the Foreign Secretaries meeting also forms a plenary which reviews the results of the other meetings. Both sides were appreciative of the work done by the experts on the nuclear CBMs and by the results that have been achieved. As regards the draft agreement, which is mentioned in the statement that was issued after the meeting of the experts on nuclear CBMs, that is a draft and needs further work. It needs comments from the other side and further work before these things can be finalized. Only about 5 or 6 days have elapsed since that meeting.

Question: You mentioned communications, what sort of communications?

Answer: I said the CBMs aim to better communications.

Question: …inaudible…

Answer: We will give you the details of these proposals and what comes out of the meeting tomorrow.

Question: Any discussions about Khokrapar – Munabao rail link?

Answer: As I have said, we already have a certain number of proposals on the table. The links between those towns are already on the table.

Question: Srinagar – Muzaffarabad …

Answer: Correct, this issue is also on the table. As I said, a number of issues are on the table and fresh issues were discussed. What the plan on each of these issues is, I will be able to tell you only after the meeting is over.

Question: Any broad understanding on any of these ideas and proposals?

Answer: Let me not characterize anything in the middle of the meeting.

Question: Will the announcements be made only tomorrow?

Answer: I have briefed you on the discussions today. Tomorrow, once we finish the meeting we can give an overall picture on the different issues involved, if that is what you mean by announcements.

Question: No hiccups…

Answer: The meetings were conducted in a friendly, very positive and constructive atmosphere. The aim was evident - to carry this process forward. After the meeting Foreign Secretary also held a lunch in the honor of the visiting delegation and is hosting a dinner tonight.

Question: Tomorrow, during discussions on Kashmir, will the issue of terrorism also come up?

Answer: Let me not start crystal gazing. It is normally not helpful.

Question: You said a number of ideas and proposals were exchanged. Was any rejected?

Answer: The ideas have been proposed. There were proposals and ideas exchanged from both sides and let us see how this process carries forward tomorrow. We are hopeful that the process is going to move forward. The

talks have been held in a very constructive and positive atmosphere. And this should continue tomorrow.

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132. Joint statement issued at the end of the meeting between Foreign Secretaries of India and Pakistan.

New Delhi, June 28, 2004.

The Foreign Secretaries of India and Pakistan met in New Delhi on 27-28 June 2004 to resume the Composite Dialogue. They discussed 'Peace and Security including CBMs' and 'Jammu and Kashmir'. The talks were held in a cordial and constructive atmosphere, and with the objective of taking the process forward.

2. They reiterated their commitment to the principles and purposes of the Charter of the United Nations, and their determination to implement the Simla Agreement in letter and spirit.

3. Both sides expressed satisfaction over the ongoing process of dialogue and confidence building between the two countries. They approved the measures recommended by the Expert level meeting on Nuclear CBMs in New Delhi on 19-20 June 2004. They agreed to conclude an Agreement on pre-notification of flight testing of missiles, and entrusted the Experts to work towards finalizing the draft Agreement. Both sides reaffirmed the elements in the Joint Statement of 20th June on the need to promote a stable environment of peace and security, recognizing the nuclear capabilities of each other constituting a factor for stability, working towards strategic stability, and the call for regular working level meetings to be held among all the nuclear powers to discuss issues of common concern. The two sides proposed a comprehensive framework for conventional CBMs aimed at initiating and enhancing communication, coordination and interaction. These would be discussed further.

4. Recalling the reassurance contained in the Joint Press Statement of January 6, 2004, they exchanged views on carrying the process forward in an atmosphere free from terrorism and violence.

5. The Foreign Secretaries reiterated the hope that the dialogue will lead to peaceful settlement of all bilateral issues, including Jammu and Kashmir, to the satisfaction of both sides. They held detailed exchange of views on Jammu & Kashmir and agreed to continue the sustained and serious dialogue to find a peaceful negotiated final settlement[1].

6. It was agreed that the strengths of the respective High Commissions would be restored immediately to the original level of 110; it was also agreed in principle to re-establish India's Consulate General in Karachi and Pakistan's Consulate General in Mumbai. Modalities would be worked out by the two Governments. All apprehended fishermen in each other's custody would be immediately released and a mechanism put in place for the return of unintentionally transgressing fishermen and their boats from the high seas without apprehending them. Steps would be initiated for early release of civilian prisoners.

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1. Elaborating the term "final settlement" MEA Spokesperson Navtej Sarna said: "The idea is that both the countries are now engaged in a process, in a composite dialogue, in which there are several subjects and Jammu and Kashmir is one of them and both countries are committed to resolving all these issues bilaterally and peacefully. Taking questions after reading out the Joint Statement, Mr. Sarna said that terrorism was discussed in today's meeting as it was part of earlier statements and discussions. "It was underscored that terrorism is not good for the region, it is not good for India, it is not good for Pakistan and we must work together to remove this scourge from our midst…"Asked if the issue of "terrorist infrastructure" in Pakistan was specifically raised, he said that it was a long discussion. "I am not going to go into the diplomatic give and take of the discussions. I have given you a broad idea of what was discussed. Let me retain the confidentiality of diplomatic exchanges." On the problem that confronted the Srinagar – Muzaffarabad bus service, Mr. Sarna clarified that the proposal was still on the table. "This was not a technical level meeting, so we did not go into the technicalities of each of the proposals. Those proposals on which there was immediate agreement, the Foreign Secretaries have agreed to, the rest of the proposals are on the table."
   "We hope this process will move forward. There will be technical level meetings not only on this (the Srinagar – Muzaffarabad bus) but other subjects that may require them, and those will be correct fora for working out these details." When asked if India was concerned about Pakistan Foreign Secretary Riaz Khokhar's meetings with the Kashmiri separatists, the Spokesman answered with the question: "Have you seen any expression of concern?" On the "plans" of some Kashmiri separatists to visit Pakistan in the near future and New Delhi's views on the issue, Mr. Sarna said: "the Government of India is a very wide body and I am not the Spokesman for the entire Government of India." When asked the extent of flexibility shown by each side on Kashmir, Sarna said the mood was constructive. "The exchanges have been extensive and so we have to move forward. This is the beginning of a process." The process of sustained dialogue was carried forward when the External Affairs Minister met his Pakistani counterpart in Jakarta on the sidelines of the 11th annual meeting of the Association of South East Asian Nations Regional Forum (ARF) on July 2. In his brief remarks to journalists in Jakarta Mr. Singh said "one has to be realistic" about India – Pakistan dialogue process and that he would not look at it from the perspective of being "optimistic or pessimistic".

7. The Foreign Secretaries also agreed that the meetings of the remaining six subjects of the Composite Dialogue on Siachen, Wullar Barrage/ Tulbul Navigation Project, Sir Creek, Terrorism and Drug Trafficking, Economic and Commercial Cooperation, and Promotion of Friendly Exchanges in Various Fields, would take place between the third week of July and the first half of August 2004.

8. The Foreign Secretary of Pakistan conveyed invitations from the President of Pakistan to the President and Prime Minister of India, and to Smt. Sonia Gandhi.

9. The Foreign Secretaries will meet again in the third week of August to review progress achieved in the Composite Dialogue and prepare for the meeting of the Foreign Ministers which will immediately follow.

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133. Question in the Lok Sabha: "Peace talks with Pakistan".

New Delhi, July 7, 2004.

Will the Minister of External Affairs be pleased to state:

(a) whether Foreign Secretary level talks were held between India and Pakistan recently ;

(b) if so, the issues discussed and the outcome thereof ;

(c) whether the talks have been held recently between the two countries on Nuclear Confidence Building Measures;

(d) if so, the details thereof ;

(e) whether the Indian Government has agreed to set up a hot line with Pakistan for regular communications ;

(f) if so, the details in this regard ;

(g) whether External Affairs Ministers of both the countries met recently;

(h) if so, the details of the discussion held; and

(i) the extent to which these are likely to improve the bilateral relations between the two countries?

The Minister of State in the Ministry of External Affairs (Shri E. Ahamed)

(a) to (i) A statement is placed on the Table of the House.

Statement

(a) and (b) Foreign Secretary level talks between India and Pakistan were held in New Delhi on June 27 –28, 2004. They exchanged views on carrying the process forward in an atmosphere free from terrorism and violence. In the Joint Statement[1] issued at the end of the talks on June 28, the Foreign Secretaries, inter alia, approved the measures recommended by the Expert level meeting on Nuclear CBMs[2] in New Delhi on 19 – 20 June, 2004. The two sides proposed a comprehensive framework for conventional CBMs aimed at initiating and enhancing communication, coordination and interaction. It was also agreed to immediately restore the strength of the respective High Commissions to the original level of 110; to immediately release all apprehended fishermen in each other's custody and put in place a mechanism for the return of unintentionally transgressing fishermen and their boats from high seas without apprehending them; and to initiate steps for early release of civilian prisoners. It was also agreed in principle to re-establish the Consulates General in Karachi and Mumbai.

(c) and (d) An Expert level meeting on Nuclear Confidence Building Measures was held in New Delhi on June 19 –20, 2004. The Joint Statement issued after the meeting on June 20 was significant in identifying areas of convergence; working out CBMs on communication links to be implemented; working towards concluding an Agreement with technical parameters on pre-notification of flight testing of missiles, a draft of which was handed over by the Indian side; and a joint call for working level discussions along with other nuclear powers.

(e) and (f) During the Expert Level Meeting on Nuclear CBMs the two sides agreed that the existing hotline between the DGMOs would be upgraded, dedicated and secured, and that a dedicated and secure hotline

1. Document No. 132.
2. Document No. 128.

would be established between the two Foreign Secretaries through their respective Foreign Offices to prevent misunderstandings and reduce risks relevant to Nuclear issues.

(g) and (h) External Affairs Minister Mr. K. Natwar Singh and Pakistan Foreign Minister Mr. Khurshid M. Kasuri met in Qingdao on June 21, 2004 on the margins of the Asian Cooperation Dialogue meeting. The two Ministers reviewed the progress in all aspects of bilateral relations, and implementation of the framework for the dialogue process worked out in February 2004 by the Foreign Secretaries of the two countries. They assessed positively the progress in the discussions held, including at the meetings between BSF and Pakistan Rangers, the Narcotics Control authorities of the two countries, and the Expert level dialogue on Nuclear CBMs. The two Ministers agreed to remain in regular touch and provide continued political guidance to the ongoing process.

(i) These interactions between India and Pakistan have been significant in exchanging views on carrying forward the ongoing process of confidence building, cooperation and dialogue in an atmosphere free from the menace of terrorism and violence.

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134. Statement by External Affairs Minister K. Natwar Singh on arrival in Islamabad for the SAARC Ministerial meeting.

Islamabad, July 19, 2004.

I am delighted to be in Islamabad after a gap of nearly 16 years. I had accompanied Shri Rajiv Gandhi for the 1988 SAARC Summit.

2. I have come with a message of goodwill from the Government and the people of India.

3. My visit is primarily in the context of the SAARC Ministerial Meeting, which would also prepare the ground for the SAARC Summit early next year, in Bangladesh.

4. I understand progress has been made in the meeting of the Programming Committee on July 16-17, and the Standing Committee of Foreign Secretaries which met yesterday and today.

5. Among the issues being looked at are those related to the implementation of the SAARC Convention on Terrorism and its Additional Protocol; as well as those related to the Social Charter and implementation of the announcement made by India in January of a US $ 100 million fund for SAARC Poverty Alleviation Programmes.

6. On the margins of the Ministerial Meeting, I will be having bilateral meetings with my counterparts from the other SAARC countries. I look forward to this opportunity.

7. Aside from my meeting with my counterpart from Pakistan, the distinguished Foreign Minister, Mr. Khurshid Mehmood Kasuri, I will also have the honour to call on their Excellencies the President and the Prime Minister of Pakistan. I shall do my best to use this opportunity to contribute further to creating an even better climate for taking forward our Composite Dialogue process[1].

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1. The official Spokesperson of the MEA had on July 16 told the media that: "Prior to his leaving for Islamabad on July 19 for the SAARC ministerial meeting, EAM had interaction with some scholars and think-tanks involved with SAARC related issues. Those present at the brainstorming meeting included, inter alia scholars from Jawaharlal Nehru University,

135. Statement by External Affairs Minister K. Natwar Singh on departure from Islamabad.

Islamabad, July 23, 2004.

I have had a productive and useful visit to Pakistan for the SAARC Council of Ministers meeting. The Council meeting has resulted in significant steps in key areas of regional cooperation. Our basic approach was to give SAARC greater relevance and meaning and to enable it to meet the aspirations of our peoples. As SAARC moves into its third decade, we hope to move from studies and meetings to implementation of projects.

2. At the Council of Ministers meeting, India made the following proposals:

i) Setting up a South Asian Parliamentary Forum to deliberate on issues pertaining to regional cooperation endeavors. India also offered to host the next meeting of the South Asia Association of Speakers and Parliamentarians to consider the establishment of the Form.

ii) Establishment of a SAARC High Economic Council with Finance and Commerce Ministers of the SAARC Member Countries to promote ideas and initiatives related to regional integration in economic, trade, financial and monetary areas.

iii) Setting up a SAARC Infrastructure Fund, which could have a corpus of about US $ 10 billion, to fund major infrastructure projects in the region.

iv) Setting up National Committees in member countries to monitor and devise programmes to implement the goals of the SAARC Social Charter, and the promote collaborative poverty alleviation projects, including those under the SAARC Poverty Alleviation Fund.

Centre for Policy Research, and RIS, Prof. S. D. Muni, Prof. Charan Wadhwa, Dr. Nagesh Kumar, Indra Nath Mukherjee, Mrs. Vijay Katti and Mrs. Suman Sharma were among those present. The scholars, in their recommendations to the Minister, inter alia emphasized the importance of regional cooperation; the benefits also to other countries in the SAARC region from SAFTA; trade, health, population policy as providing opportunities for cooperation; and the need to retain the focus on benefits for the people of the region, as cooperation opportunities are expanded. Among some of the other recommendations were issues related to infrastructure development, enhanced Fellowships and Chairs for South Asian studies, visa, international trade related issues, enhancing university level exchanges and study tours, promoting mutual investments, including as a vehicle for expanding trade, etc,"

v) As part of the SAARC Awareness Year for TB and HIV/AIDS, the Council decided to give a SAARC Youth Award for "Dedicated Community Services in the field of TB and / or HIV/AIDS. India offered to host a meeting this year of experts and community workers, to train paramedics from SAARC countries, and offered to send medical vans and mobile awareness units to each SAARC country. We would also host a variety of youth activities, and promote youth and academic exchanges in the next twelve months.

The other SAARC countries endorsed these proposals.

3. On the margins of the Ministerial meeting, I had very useful bilateral discussions with my colleagues from Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka. We discussed bilateral and SAARC related issues in detail. My colleagues and I called jointly on the President and Prime Minister of Pakistan.

4. I also utilized my presence in Pakistan for separate meetings on the sidelines with the leadership of Pakistan. I called on President Pervez Musharraf, Prime Minister Chaudhury Shujaat Hussain, senior Minister Shaukat Aziz and Foreign Minister Khurshid Kasuri. This was my third meeting with Foreign Minister Kasuri in the last month. These meetings were an opportunity to review our bilateral relations. I found the attitude of the Pakistani leadership constructive and positive. We discussed progress so far in the process of composite dialogue that began in February. As you are aware, the next three weeks will see intensive interaction between our countries, with six meetings on different subjects in the composite dialogue process. Thereafter, FM Kasuri and I will meet again on September 5 and 6 in New Delhi.

5. In my meetings, we shared perceptions on several issues. We expressed satisfaction at the wide range of contacts taking place at governmental and non – governmental levels between India and Pakistan. India and Pakistan are committed to discuss and settle all bilateral issues, including that of Jammu & Kashmir, o the satisfaction of both sides.

6. During my call on President Musharraf earlier today, I mentioned our intention to carry on a sustained and steady dialogue with Pakistan. We reviewed all significant aspects of our relations. Both sides reiterated the importance of continuing the dialogue process in an atmosphere free of violence, and to tackling the scourge of terrorism with renewed vigor. I deeply

appreciated the time and consideration shown to me and my delegation by H.E. the President of Pakistan. No aspect of our relationship including Jammu & Kashmir was left out of our warm, frank and realistic discussions. The meeting lasted one hour and thirty minutes.

7. I leave Pakistan with renewed determination to work with Pakistan, bilaterally, to normalize our relations and to resolve differences while building on many commonalities. I am grateful to the government of Pakistan for the excellent arrangements and many courtesies shown to me and my delegation during the visit. The warmth of our welcome by the Government and people of Pakistan touched us deeply.

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136. Reaction[1] of Official Spokesperson on the Statement of the Pakistan Foreign Office on the talks between the Indian External Affairs Minister and President Musharraf in Islamabad.

New Delhi, July 24, 2004.

We are disappointed at the tone and substance of some of the comments made in the Press Release issued by Pakistan Foreign Office

1. The Foreign Ministry of Pakistan in a statement issued in Islamabad on the meeting between the EAM and President Musharraf on July 23 struck a jarring note when it said that President Musharraf stressed the need for a final settlement of the Kashmir issue within a "reasonable" time-frame and "simultaneous" progress on all subjects including the "central issue" of Kashmir. The statement further said that the President stressed that it was important to provide "comfort" to Kashmiris as they had the highest stake in the success of the peace process. Media quoting MEA sources said the reference in the Pakistani statement to a "reasonable" time-frame for a final settlement of the Kashmir issue sounded strange coming from those who avoided any discussion on the subject between 1972 and 1989, made discussions impossible from 1990 onwards because of the sponsorship of terrorism and made the prospects of a final settlement difficult by ignoring the realities and by adopting non-pragmatic positions. The sources also rejected the suggestions for "simultaneous" progress on all issues, not only because it was an unrealistic approach but also because it was aimed at thwarting progress. The suggestion was contrary to the articulated positions of the Pakistani leadership which had earlier advocated resolving the easier issues first, building confidence and developing the relationship in a step-by-step manner. It was surprising that the Pakistani statement talked of providing comfort to Kashmiris even though it was Pakistan which had attempted to undermine such "Comfort" by its sponsorship of terrorism and encouragement to extremism, the sources quoted by media said.

yesterday after the meeting between President Musharraf and External Affairs Minister.

The press release does not reflect the comprehensiveness of the discussions.

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137. Joint press statement on India - Pakistan talks on Wullar Barrage/Tulbul Navigation Project.

Islamabad, July 30, 2004.

The delegations of Pakistan and India met in Islamabad on 29-30 July 2004 for discussions on the Wullar Barrage/Tulbul Navigation Project as part of the Composite Dialogue. The Pakistan delegation was led by Mr. Ashfaq Mahmood, Secretary to the Government of Pakistan, Ministry of Water & Power and the Indian delegation was led by Mr. V.K. Duggal, Secretary to the Government of India, Ministry of Water Resources.

Mr. V.K. Duggal and the members of the Indian delegation called on Mr. Aftab Ahmad Khan Sherpao, Minister for Water & Power.

The talks were held in a cordial and constructive atmosphere. Both sides reaffirmed their commitment to the Indus Waters Treaty of 1960.

It was agreed that the discussions would continue at the next round of the dialogue process with a view to finding a solution to the issue consistent with the provisions of the Treaty.

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138. Joint press statement on India - Pakistan talks on Promotion of Friendly Exchanges in Various Fields.

New Delhi, August 4, 2004.

Talks between India and Pakistan on "Promotion of Friendly Exchanges in Various Fields" were held in New Delhi on August 3-4, 2004 within the framework of the Composite Dialogue. The Indian delegation was led by Mrs. Neena Ranjan, Secretary (Culture) and the Pakistan delegation was led by Mr. Jalil Abbas, Secretary, Minorities, Tourism, Culture and Youth Affairs.

2. The Pakistan delegation called on Shri Jaipal Reddy, Hon'ble Minister for Culture and Information & Broadcasting. A meeting was also held with Smt. Meenaxi Anand Chaudhry, Secretary (Youth Affairs & Sports).

3. The discussions were held in a very cordial and constructive atmosphere. Both sides made wide ranging proposals for promoting friendly exchanges and cooperation in the fields of art, culture, archaeology, education, science and technology, youth affairs and sports, media and tourism. Implementation of the programmes would be undertaken through mutual coordination.

4. Views were also exchanged on liberalizing the visa regime and expanding the scope of the 1974 bilateral Protocol on Visits to Religious Shrines by increasing the number of pilgrims and shrines on both sides. Both sides agreed to address the humanitarian issues concerning civilian prisoners and fishermen in each other's custody.

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139. Joint press statement issued at the end of the India – Pakistan talks on Siachen.

New Delhi, August 6, 2004.

The two day Defence Secretary level talks between India and Pakistan on Siachen, in the frame-work of the Composite Dialogue were held in New Delhi on 5 – 6 August 2004. The Indian delegation was led by Defence Secretary, Shri Ajai Vikram Singh. The Pakistan delegation was led by Defence Secretary Lt. Gen. (Retd.) Hamid Nawaz Khan.

2. The Defence Secretary of Pakistan called on Raksha Mantri, Shri Pranab Mukherjee and National Security Advisor, Shri J. N. Dixit.

3. Frank and candid discussions were held in a cordial and constructive atmosphere aimed at taking the process forward. Both sides assessed positively the ceasefire that has been in effect since 25 November 2003.

4. The military experts of the two sides also met to discuss modalities for disengagement and redeployment of troops, and agreed to have further discussions.

5. The two Defence Secretaries agreed to continue their discussions with a view to resolving the Siachen issue in a peaceful manner[1].

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1. Before the arrival of the Pakistani delegation and to prepare for the talks the Cabinet Committee on Security (CCS) on August 4 deliberated on the options for solving the Siachen and Sir Creek disputes with Pakistan. The two-hour long meeting saw a presentation by the Army on the Siachen dispute and the implications on the country's security if the positions on the glacier were left unmanned. The meeting chaired by Prime Minister reviewed the position regarding demarcating the Line of Control beyond the grid reference NJ 9842, withdrawing the troops to agreed positions only after recording the existing positions and defining a no-war zone.

140. Joint press statement issued at the end of India-Pakistan talks on Sir Creek.

New Delhi, August 7, 2004.

As part of the Composite Dialogue, the delegations of India and Pakistan met in New Delhi on August 6-7, 2004 to discuss the demarcation of the international boundary between the two countries in the Sir Creek area.

2. The Indian delegation was led by Dr. Prithvish Nag, Surveyor General of India and the Pakistan delegation was led by Rear Admiral Ahsan ul Haq Chaudhry, Additional Secretary, Ministry of Defence.

3. The talks were held in a frank and friendly atmosphere. The two sides elaborated upon their respective positions and had a detailed and useful exchange of views on the various issues involved.

4. It was agreed that early resolution of the issue would be in the interest of both countries. The two sides agreed to continue the discussions.

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141. Joint press statement issued at the end of India-Pakistan talks on Terrorism and Drug Trafficking.

Islamabad, August 11, 2004.

Within the framework of the Composite Dialogue process between Pakistan and India, resumed pursuant to the January 6 Joint Press Statement, talks on Terrorism and Drug Trafficking were held in Islamabad on August 10-11, 2004. The Pakistani delegation was led by Mr. Tariq Mahmud, Secretary, Ministry of Interior while the Indian delegation was led by Mr. Dhirendra Singh, Home Secretary.

Frank and candid discussions were held in a constructive and cordial atmosphere aimed at taking the process forward. Both sides reaffirmed their determination to combat terrorism and emphasized the need for complete elimination of this menace.

They assessed as positive the increasing cooperation and information sharing between Narcotics Control Authorities of the two countries and agreed to work towards an MOU to institutionalize cooperation in this area, and to designate nodal officials in their respective High Commissions to liaise on drug control issues.

The Indian Home Secretary called on the Minister of Interior, Makdoom Syed Faisal Saleh Hayat.

It was agreed to continue the discussions.

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142. Joint press statement on India-Pakistan talks on Economic and Commercial Cooperation.

Islamabad, August 12, 2004.

As part of the Composite Dialogue process between Pakistan and India, discussions were held on Economic and Commercial Cooperation in Islamabad on 11-12 August 2004. The Pakistani delegation was led by Commerce Secretary, Mr. Tasneem Noorani while the Indian delegation at these discussions was led by Commerce Secretary, Mr. Dipak Chatterji.

2. Mr. Chatterji called on Commerce Minister, Mr. Humayun Akhter Khan.

3. The discussions were held in frank and cordial atmosphere.

4. Wide ranging proposals were made on various aspects of Economic and Commercial Cooperation. These would be considered further.

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143. Joint press statement issued at the end of the meeting between the Foreign Secretaries of India and Pakistan.

New Delhi, September 4, 2004.

The Foreign Secretaries of India and Pakistan, H.E. Mr. Shyam Saran and H.E. Mr. Riaz H. Khokhar, met on September 4, 2004 in New Delhi to review the progress in the Composite Dialogue.

They assessed positively the discussions held on the eight subjects in the Composite Dialogue i.e. Peace and Security including CBMs, Jammu and Kashmir, Siachen, Sir Creek, Wullar Barrage/Tulbul Navigation Project, Terrorism and Drug Trafficking, Economic and Commercial Cooperation and Promotion of Friendly Exchanges in Various Fields. The Foreign Secretaries agreed that the discussions had been productive and had taken place in a cordial and constructive atmosphere. Several useful ideas and suggestions were made by both sides.

In their meeting today, the Foreign Secretaries discussed the ways of taking the process forward. They would be reporting to the Foreign

Ministers with the recommendation that the Composite Dialogue should be continued with a view to further deepening and broadening the engagement between the two sides[1].

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144. Reaction of Official Spokesperson to Pakistani Foreign Minister's remarks on Kashmir.

New Delhi, September 4, 2004.

"There is considerable disappointment here at the unifocal statement[2] by the Pakistan Foreign Minister earlier today about relations with India prior to his departure from Islamabad. This is not in consonance with the spirit in which we have conducted the composite dialogue so far. It also violates Pakistan/s own call for a "rhetoric restraint regime".

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1. The previous day answering questions from journalists whether India will "focus on the increased infiltration and cross-border terrorism", the Spokesperson Navtej Sarna had said: "As I said this is a meeting at the Foreign Secretary level and the Foreign Minister level that reviews the entire progress in the Composite Dialogue and the bilateral relations. The Composite Dialogue, as you know, was started this year after January 6 Statement in Islamabad. The January 6 Statement is quite clear and there is an expression there that to sustain this dialogue, violence, terrorism and hostility must be prevented. I am sure that this is a concern that will be taken up."
   Answering another question on CBMs and people-to-people contacts, the Spokesperson said: "There can be. This is a Foreign Minister level discussion. So, there is no binding on what they are supposed to discuss. Naturally, we have, as newspapers like to call it, a slew of CBMs on the table. Some of them we have agreed to. On some of them we have positive movement on both sides and on some of them there may be unilateral movement. I am sure all these issues will be discussed. The sincere desire is that we must move towards implementing as many of those as possible."
2. The Spokesperson Navtej Sarna's reaction was to Pakistani Foreign Minister asserting on September 4 in Islamabad that Kashmir was not an "intractable problem" but one that requires political will for its solution. Kasuri in his statement had said: "It is regrettable that we have not been able to resolve the Jammu and Kashmir dispute that has in the past, kept us in a state of tension and flux." Adding further he said' "We should give Kashmiris the choice to determine their own future. This choice should have been given to them in August 1947. But in 57 years later, we are still at the starting line." Kasuri's statement came perhaps in the wake of the position taken by the Indian National Security Advisor J.N. Dixit on August 31 that the resolution of Kashmir issue should not hold up the people of subcontinent hostage and that the two countries should proceed with furthering economic relations. "Kashmir is an important issue to be resolved between India and Pakistan. But its resolution should not hold 1.3 billion people of the subcontinent hostage," Mr. Dixit said while speaking on the

145. Joint Press statement issued at the end of the first day's talks between the Foreign Ministers of India and Pakistan.

New Delhi, September 5, 2004.

"The Foreign Ministers of India and Pakistan, H.E. Mr. K. Natwar Singh and H.E. Mr. Khurshid M. Kasuri met this morning on the first day of the Foreign Minister-level talks to review the progress in the Composite Dialogue between the two countries and to explore ways and means of taking the process forward. The two Ministers met on a one-on-one basis for over an hour, followed by delegation-level talks. The meetings were held in a friendly, cordial, affable and constructive atmosphere.

The two Ministers reviewed the recommendations of the Foreign Secretaries and assessed positively the results of the meetings held in the first round of the Composite Dialogue. The Foreign Minister-level talks will continue tomorrow."

Some of the Questions that the MEA Spokesperson answered while releasing the text of the above statement were:

Question: There were some reports on Srinagar-Muzaffarabad bus service. Have the two sides agreed on technical level talks or is it still a subject under discussion?

Answer: This is a matter which is under discussion. As you know, this is a proposal which was made by India several months ago. We have been hoping that this is a matter that will be sorted out and the bus service would be operationalised as soon as possible. Let us wait to see how the discussions go the rest of the day, and tomorrow.

Question: We have made certain proposals to Pakistan which are already

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sidelines of the Regional Conference on SAARC: "Post-Islamabad Challenges." Inaugurating a two-day long conference attended by delegates from Pakistan and other SAARC nations, Mr. Dixit said prejudices were a hurdle towards cooperation at governmental level. "Time has come for moving forward with conviction and a sense of clarity on what is good for us", he said. India had a greater responsibility and adding said that this could be meaningful only if there was a response to it. "By just saying you have larger responsibility does not help. You have to shoulder the responsibility", Mr. Dixit said adding that reciprocity "may not be equal and matching but there should be an acknowledgment and willingness about it."

in the press. I want to know if there is any kind of progress on any of these proposals in this meeting?

Answer: There has been progress on many of those proposals even before this meeting. I have told you about today's meeting. On the meeting between the Foreign Secretaries, which prepared the way for the meeting between the Foreign Ministers, we have given you our assessment yesterday. They have looked very positively at the eight groups of discussions held in the first round. There are several proposals on which both sides have been looking at ways and means of moving forward. On what exactly is happening, I would like you to kindly wait for the Ministers to tell you tomorrow because you must remember there is still one more session of talks left.

Question: Actually, there have been reports that there is already an agreement on Wullar Barrage, Tulbul Navigation Project and Sir Creek.

Answer: Lots of things have come in the media. I would not like to pick out one or the other. Sir Creek, Wullar Barrage, and Tulbul Navigation project have been discussed both in the respective rounds in the Composite Dialogue as well as in the Foreign Secretaries' meeting and the Foreign Ministers' meeting. What exactly is happening on those and how we are taking these things forward, we will see tomorrow.

Question: Have Mr. Kasuri's statement in Pakistan and his statement here yesterday cast a shadow on the talks?

Answer: As I have told you, the meeting today was held in a friendly, cordial, affable and constructive manner. We have already given our reaction to that statement last evening.

Question: Does this prepare the ground for another round?

Answer: We will see what the Ministers decide after they finish the talks tomorrow. But certainly there is a commitment - which is quite obvious from the discussions and the assessments, which I have given you yesterday and today in the form of Joint Press Statements - that there is a determination to take this process forward and to make progress on whatever field we can.

Question: After the Defence Secretaries' meeting on Siachen issue the

joint statement said that they will meet again. Any update on that?

Answer: All those decisions which were taken in that Sub-Group are being

reviewed right now. So, we will see which one they are going to decide to tackle and in what manner.

Question: Was the statement of the Pakistani Foreign Minister raised by Mr. Natwar Singh at the meeting today?

Answer: The two Ministers had a very long one-on-one meeting. I am not sure exactly what all was discussed. But I feel that what we had to say on that statement we have said yesterday. This morning, in fact, I think the Pakistani Foreign Minister himself made comments in front of the press when there was the photo op.

Question: The Prime Minister in his Press Conference yesterday had mentioned the increase in cross-border infiltration in recent weeks. Did the issue come up today?

Answer: Cross-border infiltration and infrastructure of terrorism is a matter of concern and that has been raised in all the meetings.

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146. Joint Press Conference by External Affairs Minister K. Natwar Singh, and the Foreign Minister of Pakistan Khurshid M. Kasuri.

New Delhi, September 6, 2004.

Sofficial Spokesperson : Good afternoon ladies and gentlemen. Welcome to this Joint Press Interaction with the Excellencies, Foreign Ministers of India and Pakistan. May I first request the External Affairs Minister of India, Shri Natwar Singh, to kindly make his opening remarks.

External Affairs Minister of India (Shri K. Natwar Singh): Good afternoon, ladies and gentlemen.

The Foreign Minister of Pakistan and I met yesterday and this morning to review the overall progress in bilateral relations and the status of the Composite Dialogue. Our meeting was preceded by a meeting between the two Foreign Secretaries on September 4, 2004. While we both are sincerely committed to carry forward the Composite Dialogue, we should not lose sight of the wise dictum 'diplomacy provides hope, not salvation'. Even modest progress is worthy of respect. We have made progress in the past two days. My friend, Foreign Minister Kasuri, and I have established rapport and mutual trust.

India is committed to deepen and widen its engagement with Pakistan in order to resolve all issues and to build a durable structure of peace and stability in South Asia free from an atmosphere of terrorism and violence. In his press conference the other day the Prime Minister referred to this matter and I shall do so here too. I would like to recall the Joint Press Statement on January 6 this year, and the reassurance by President Musharraf that he would not permit any territory under Pakistan's control to be used to support terrorism in any manner. Cross-border infiltration remains a serious concern and I have reiterated our concerns to Mr. Kasuri.

Significantly, the ceasefire has held since November 25, 2003, and both sides are committed to continuing it. The first round of the Composite Dialogue has been concluded successfully. The schedule of meetings agreed to in February 2004 was maintained and the outcome of the dialogue process is positive. We have arrived at several agreements that would take the process forward. For example, technical-level meeting would be held in

October-November on the Munabao-Khokhrapar railway link. The Indian Coast Guards and the Pakistan Maritime Security Agency will hold talks to discuss a memorandum of understanding for establishing communication links between them. A biannual meeting between the Indian Border Security Force and Pakistan Rangers is also scheduled in October. There would be meetings to discuss conventional and nuclear CBMs. Joint Survey of the boundary pillars in the horizontal segment of the International Boundary in the Sir Creek area. A special day-bus service on special occasions between Amritsar and religious places in Lahore such as Nankana Saheb. Enhanced interaction and exchanges between the two foreign offices including study groups of young diplomats to each other's country.

The Foreign Minister of Pakistan has invited me to visit Pakistan and I have accepted his invitation to visit Pakistan.

Official Spokesperson: May I now request His Excellency, the Foreign Minister of Pakistan to kindly make his opening statement.

Foreign Minister of Pakistan (Mr. Khurshid Mohammed Kasuri): Thank you very much. First of all, I would like to express my thanks and gratitude for the hospitality shown to me and to my Delegation by the Government of India and by the Foreign Minister of India himself personally.

As he told you, we have reviewed progress in all the eight agenda items which were listed under the Composite Dialogue. Of course, he mentioned his concerns and I had to mention mine. I spoke of the human rights situation in Jammu and Kashmir. I suggested to him, as I would like to suggest to the entire international community, that regardless of the words that we use and the gloss that we put, we are all aware of what has been the cause of perpetual tension between our two countries and what has caused three wars between us and a near-war in 2002. That was the issue of Jammu and Kashmir. So, I emphasized to His Excellency the Foreign Minister the centrality of the issue of Jammu and Kashmir. I told him that we were not unifocal, that it is not that Pakistan is only interested in just discussing Jammu and Kashmir. No. We know that we live in an age when - we call this a post-industrial, post-modern age – there are areas where we can cooperate. There are areas where other countries in the world are cooperating and they are doing so more successfully when the efforts are joint. I am sure there are areas where Pakistan and India can cooperate. The fruits of cooperation will be greater, if we were to go along the lines

that we agreed upon and that is that whereas there are differences between Pakistan and India, we should be mature enough to recognize those because that is the only guarantee that we will be able to solve those problems. …(Inaudible)… the very concept of the Composite Dialogue envisages that there should be progress on all items. Hopefully there will be progress on all the eight items mentioned under the Composite Dialogue.

I am glad to note, as the External Affairs Minister has pointed out here, he has read you a long list of agreements between the two Foreign Ministers and I do not have to repeat those. A greater list will be published when on the 8th of this month, a Joint Statement will be issued by the two Foreign Ministers. I do not think I need to repeat some of those items. Suffice it to say that among the major issues we have agreed that on nuclear and conventional CBMs we need to have meetings where experts and groups can meet together, discuss each other's suggestions. As you know, the Government of India had made certain suggestions on conventional CBMs: we have made ours. We thought the most mature way of handling that would be to have expert group meetings who would be studying the proposals submitted by both the Governments. I think that is a way forward and I also think we can regard that as one of the successes of the meeting between His Excellency Mr. Natwar Singh, the Foreign Minister of India and myself.

Thank you very much.

External Affairs Minister of India: I just wanted to mention one thing. In our discussion we recognized the importance of availability and access to energy resources in the region around South Asia. We have agreed that the Ministers of Petroleum and Natural Gas could meet to discuss the issue in its multifarious dimensions.

We will take three questions.

Official Spokesperson : Please introduce yourselves and indicate to whom the question is addressed.

Question (Mr. Amit Barua, *The Hindu*): My question is to both Ministers.

Obviously, there are differences in perception on issues like cross-border terrorism and Kashmir. You all have been pointing out that progress has been made on some issues. However, I would like to take you back to

the June agreement between the Foreign Secretaries on the issues of the Karachi and Mumbai Consulates. How come, despite the announcement that was made two months ago, absolutely no progress had been made till now? And, is it time that even when India and Pakistan have agreed on something in advance, it is time to set up a Joint Implementation Group to actually implement the decisions that have already been taken?

FOREIGN MINISTER OF PAKISTAN: When His Excellency the Foreign Minister visited Islamabad, we had agreed, this is absolutely correct, to have Consulates in Karachi and Bombay. And yes, we support that. There is no flagging in our intention or desire. The thing is, it is not hidden, that we had asked for Jinnah House. There was some problem as far as the Government of India was concerned and they offered alternate properties which would be suitable for our purposes. Once that property, or those properties are shown to our High Commission here, I am sure an appropriate decision will be taken. That property has not so far been shown.

EXTERNAL AFFAIRS MINISTER OF INDIA: I have spoken to the Chief Minister of Maharashtra. We have requested our friends from Pakistan to visit Mumbai and to have a look at various properties because we would like to start this process of reopening our Consulate General in Karachi and Mumbai as early as possible so that it will be more convenient for the citizens of both countries to be able to get their visas either in Mumbai instead of coming to Delhi, or in Karachi instead of going to Islamabad. So both sides are committed to it and the officials are already working.

OFFICIAL SPOKESPERSON: Since there is no question from the Pakistani side, we will take visual media.

QUESTION (MR. MRUTYUNJAY KUMAR JHA, AAJ TAK TV): *My question is addressed to both the Foreign Ministers. Now, when you are saying that the differences on Kashmir issue remain, will the second round of Composite Dialogue begin? If so, when will it start what will be its structure?*

EXTERNAL AFFAIRS MINISTER OF INDIA: *Foreign Secretaries of both the countries will meet again in the month of December. Before that, the Prime Minister of India, Dr. Manmohan Singhji and the President of Pakistan, General Musharaf Sahab, will meet in New York and there will be discussion*

on all issues. There is difference of opinion on some issues because they are critical issues and old issues. But, this Composite Dialogue and the progress made on these many issues will continue.

Foreign Minister of Pakistan : I would like to add that I regard certain issues, for example you have mentioned the dispute over Jammu and Kashmir, well, yes, these are complex problems. But they are not intractable. I do not believe that they are intractable. Given the political will they can be resolved and they should be resolved. And that is our major guarantee for durable peace in South Asia.

Question (APP): There seems to be a restoration of the position which existed before December 2001 so far as this entire process. So, what are, Mr. Natwar Singh, your expectations about the concrete outcome of this process particularly on the resolution of eight issues with focus on Kashmir dispute?

External Affairs Minister of India : As has been said by Pakistan too, we have to make progress on all areas – economic, political, communication, nuclear, visas, student exchanges, reopening of our houses in Karachi and in Bombay, also the pipeline, also the bus service from Srinagar to Muzaffarabad. On all these areas we have made progress. We realize the fact that there is the Jammu and Kashmir issue and within the framework of the Shimla Agreement, paragraph 6, which says that the Jammu Kashmir question will be discussed and settled peacefully to the satisfaction of both sides; the Lahore talks; the Composite Dialogue decision taken on the 6th of January 2004, so in many many areas progress has been made. We want to emphasise that in Jammu and Kashmir we have had elections and there is an elected Government in Jammu and Kashmir. There is a Chief Minister there and there are Members of Parliament elected, Members of Assembly elected. Nevertheless, we are discussing Jammu and Kashmir issue frankly and in candour. We are expecting each other's views on this. This will not hold up progress in all other areas as the Foreign Minister of Pakistan, my friend, His Excellency Kasuri *Sahab* has said so, that this process will continue. As I told you, the Foreign Secretaries are meeting, Heads of Government are meeting and I am also hoping to visit to Pakistan and carry on this dialogue.

Foreign Minister of Pakistan : I would like to add something to that because it is a very key question that you have asked. I agree with what His Excellency

the Foreign Minister has said. We are not imposing preconditions. But it is a matter of pure common sense, it is a mater of historical experience that if we want to push, or if we wish to put, our relations on an even keel, we will have to tackle with the issue of Jammu and Kashmir because, you know, sky is the limit once these two countries start cooperating. In the past we have seen that there have been areas where we have reached pretty good level of relationship. And then, we have seen things when they have deteriorated to the extent of wars. So, it is a matter of common sense, pure logic, that in order to ensure that there will be durable peace in South Asia, this issue would also be resolved hopefully sooner rather than later.

Official Spokesperson : That is all we have time for today. I thank the two Foreign Ministers. Thank you, Sir.

**Text in italics is translated from Hindi.*

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147. Joint statement issued at the end of talks between the Foreign Ministers of India and Pakistan.

New Delhi, September 8, 2004.

External Affairs Minister of India, H.E. Shri. K. Natwar Singh and Foreign Minister of Pakistan, H.E. Mr. Khurshid M. Kasuri, met in New Delhi on September 5 and 6, 2004 to review status of the Composite Dialogue. Their meeting was preceded by a meeting between the Foreign Secretary of India Shri Shyam Saran and Foreign Secretary of Pakistan Mr. Riaz H. Khokhar on September 4, 2004. The talks were held in a cordial and constructive atmosphere.

2. They reiterated their commitment to the principles and purposes of the Charter of the United Nations, and their determination to implement the Simla Agreement in letter and spirit.

3. The Foreign Ministers expressed satisfaction at the progress made so far, and positively assessed the developments in bilateral relations over the past year.

4. Recalling the reassurance contained in the Joint Press Statement of

January 6, 2004, they exchanged views on carrying the process forward in an atmosphere free from terrorism and violence.

5. The Ministers held detailed and substantive discussions and reiterated the confidence that the Composite Dialogue will lead to peaceful settlement of all bilateral issues, including Jammu and Kashmir, to the satisfaction of both sides. They agreed to continue with the serious and sustained dialogue to find a peaceful negotiated final settlement. They expressed their determination to take the process forward.

6. The wide ranging proposals on confidence building, promotion of friendly exchanges, and enhancing trade and economic cooperation, made by both the sides, were examined and it was agreed that these would be discussed further.

7. The Ministers agreed on the following:

(a) Expert level meetings on Conventional and Nuclear CBMs, inter alia, to discuss the draft agreement on advance notification of missile tests;

(b) Meeting between railway authorities on the Munnabao - Khokhrapar rail link;

(c) Biannual meeting between Indian Border Security Force (BSF) and Pakistan Rangers in October 2004;

(d) Meeting between Narcotics Control Authorities, including for finalisation of an MOU in October/ November 2004;

(e) Meeting between the Indian Coast Guards and the Pakistan Maritime Security Agency in November 2004 to, inter alia, discuss the Memorandum of Understanding for establishing communication link between them;

(f) Establishment of Committee of Experts to consider issues related to trade;

(g) On Siachen, the outcome of the August 2004 meeting of Defence Secretaries would be implemented;

(h) Joint Survey of the boundary pillars in the horizontal segment (blue dotted line) of the international boundary in the Sir Creek area;

(i) Meeting on all issues related to commencement of a bus service

between Srinagar and Muzaffarabad;

(j) Add a new category of Tourist Visa in the visa regime between the two countries, and to promote group tourism[1];

(k) Set up a mechanism to deal with the issue of civilian prisoners and fishermen, effectively and speedily;

(l) Further measures for facilitation of visits to religious shrines, and upkeep of historical sites;

(m) Enhanced interaction and exchanges among the respective Foreign Offices, including study tours of young diplomats/probationers to each other's country.

8. They recognized the importance of availability and access to energy resources[2] in the region around South Asia. The Ministers of Petroleum/ Gas could meet to discuss the issue in its multifarious dimensions.

9. The Foreign Minister of Pakistan met the National Security Adviser, Mr. J.N. Dixit, and also called on Prime Minister[3] Dr. Manmohan Singh, during his stay in India.

10. The two sides agreed to the continuation of high level meetings and visits, including :

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1. The question of hassle-free visa for journalists had come up at another function on September 7. The Indian External Affairs Minister taking the initiative, which was reciprocated by the Pakistani Foreign Minister, announced that "free visa" would be issued to Pakistani journalists by India. He said "Mr. Dixit (National Security Advisor) and I will persuade the Home Minister to go along with us". "There should be no problem in allowing Pakistani journalists to move freely", said Mr. Natwar Singh.
2. Separately in an interview to the daily *the Hindu* on September 8 Mr.Kasuri proposed a joint working group of India, Pakistan and Iran to discuss the plans for an oil-gas pipeline running through the three countries. He said the feed-back from India on his proposal was positive. He hoped an early meeting between the Petroleum Ministers of the two countries to take the proposal further.
3. A press report quoting a source in the Prime Minister's Office said: "A lot of plain-speaking marked the meeting." The focus of the discussion was the coming meeting between Dr. Manmohan Singh and the Pakistani President Pervez Musharraf. Dr. Singh was said to have impressed upon Mr. Kasuri the need to create an environment to take the dialogue process forward, the source said. Dr. Singh said that he had many friends in Pakistan and specifically mentioned the new Premier Shaukat Aziz, in this context. When Mr. Kasuri referred to a possible oil-gas pipeline running through Pakistan into India, Dr. Singh said all these were good ideas, but said the pipeline was not a standalone project. It had to be seen in the wider context of the economic rlations between the two countries.

(a) a meeting between[1] President Musharraf and Prime Minister Dr. Manmohan Singh in New York on the margins of UNGA later in September 2004;

(b) a visit by Pakistan's Prime Minister to India as Chairperson of SAARC;

(c) a meeting between the Prime Minister of India and Pakistan's Prime Minister in Dhaka, in January 2005, on the margins of the SAARC Summit.

11. It was also agreed that the two Foreign Secretaries would meet in December 2004 to discuss overall progress, as well as subjects of Peace and Security including CBMs, and Jammu and Kashmir, in the Composite Dialogue. They would also work out the schedule of meetings on the other six subjects, i.e. Siachen; Wullar Barrage/ Tulbul Navigation Project; Sir Creek; Terrorism and Drug Trafficking; Economic and Commercial Cooperation; and Promotion of Friendly Exchanges in Various Fields, under the Composite Dialogue.

12. The Foreign Minister of Pakistan invited the External Affairs Minister of India to visit Pakistan. The invitation was accepted and the dates would be worked out through diplomatic channels[2].

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1. The possibility of a meeting had been confirmed by Prime Minister himself at his press conference on September 4. When asked about the agenda, Dr. Manmohan Singh had said: "I will be meeting him for the first time. It will be an exercise in mutual comprehension."
2. The US Secretary of State reacting to the talks said on September 7 that Kashmir is a "very difficult issue" which will take time to resolve and that India and Pakistan know that the issue would have to be dealt with. However, he said that he was pleased that the two countries were entering into a dialogue is a "positive" way. "Both Ministers [Natwar Singh and Khurshid Mehmood Kasuri] recognize that Kashmir is an issue among many issues that have to be dealt with between the two nations. I am pleased that they are actually talking to one another at this level and many other levels and that the environment for positive discussions has improved so greatly over the last year and a half, two years," he said recalling the concern at one time of a major conflict between the two countries.

148. Statement by Official Spokesperson describing the suggestion as inaccurate that Prime Minister would be prepared to adjust the LOC in Kashmir.

London, September, 20, 2004.

We have seen an item suggesting that the Prime Minister "will offer to 'adjust' the Line of Control by a couple of miles eastwards" as part of "an offer to help defuse the situation in Kashmir".

This is completely and wholly inaccurate. Any suggestion that the Prime Minister will make such an offer is factually wrong.

As has been said on several occasions, including in the Prime Minister's Press Conference at 10 Downing Street earlier this afternoon, the Prime Minister looks forward to his meeting with President Musharraf of Pakistan in New York, and to discussing all matters of bilateral interest including a review of the composite dialogue. There is no question of any territorial concession being offered by India to Pakistan.

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149. Replies by Official Spokesperson to questions on remarks by Pakistan President General Pervez Musharraf.

New York, September 22, 2004.

Question: Any reaction to President Musharraf's remarks on India-Pakistan relations in his speech today?

Official Spokesperson: We have seen President Musharraf's remarks on India-Pakistan relations and are encouraged that Pakistan remains committed to the ongoing dialogue process with India. It has been our consistent position that all outstanding issues between the two countries including Jammu and Kashmir can be resolved through peaceful bilateral dialogue. Question: What about his phrase - "final chance for bilateralism"? Official Spokesperson: Whatever the phrase, let me just say that we are engaged in a well considered and sustained process from which we would

not be deflected by this or that remark from whatever quarter. I think the fulfillment of Pakistan's assurance to end all cross border terrorism from any territory under its control is of great importance. Question: …Inaudible…Official Spokesperson: I think I have just given you our reaction. You can read it again and you will understand.

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150. Press Stakeout of Prime Minister Dr. Manmohan Singh and President Pervez Musharraf[1].

New York, September 24, 2004.

President Musharraf: I would like to read the agreement that we have reached.

"President Musharraf and Prime Minister Dr. Manmohan Singh had one hour meeting this morning. Their discussions were held in a constructive

1. The media report described the atmosphere as relaxed and added that the tone was set by President Musharraf who presented Dr. Manmohan Singh a painting of the school in "Gah" village (now in Pakistan) his native place and where he had his initial schooling. On his part the Prime Minister recited two Urdu couplets which he read out to Gen. Musharraf when he had telephoned to congratulate Dr. Singh on assuming the office of the Prime Minister. The thrust of the couplets was that it was incumbent on the two leaders to seize the historic moment to bring peace to the region. At the outset, Dr. Singh assured Gen. Musharraf that he remained personally committed to the dialogue process. The mood at the press stake suggested that the interaction which included a one-on-one between them, had gone on rather well. The original idea was that they would meet for 15 minutes before the delegations joined them; however, it appears that the two leaders hit it off rather well and their interaction got extended to an hour-long "essay in mutual comprehension". According to an Indian official the meeting can be said to "mark a significant step forward" and the Indian side entertained sufficient "confidence" that difficulties to peace would be overcome. Officials said the two leaders discussed the Jammu and Kashmir problem and it was natural to infer that the question of cross-border terrorism must have figured in the talks. On return to New Delhi on September 27 the Prime Minister said: "I met President Musharraf and I am glad to report that talks with him were very good…we agreed to carry forward the composite dialogue process. It augurs well for India – Pakistan relations." Referring to reports regarding absence of "cross-border terrorism" in the India – Pakistan statement of September 24, the External Affairs Minister K. Natwar Singh told journalists in London on October 1 that "cross-border terrorism" must end if Pakistan wanted the peace process to continue. The Minister said that the fact that the "January 6 statement" was specifically mentioned at the meeting meant that terrorism was indeed discussed. "We told Pakistan if you really want the dialogue to go on, terrorism has to stop", said Mr. Singh. "The fact is that in both areas we have done a great deal of work," he said pointing out that as many as eight meetings had been held with Pakistan "in all areas and at all levels." India had proposed a comprehensive package

and frank spirit. They welcomed the opportunity of making each other's acquaintance during the first meeting.

Both leaders reiterated their commitment to continue the bilateral dialogue to restore normalcy and cooperation between India and Pakistan.

They agreed that confidence building measures (CBMs) of all categories under discussion between the two governments should be implemented keeping in mind practical possibilities. They also addressed the issue of Jammu and Kashmir and agreed that possible options for a peaceful, negotiated settlement of the issue should be explored in a sincere spirit and purposeful manner. In the spirit of the Islamabad joint press statement of January 6, 2004, they agreed that CBMs will contribute to generating an atmosphere of trust and mutual understanding so necessary for the well being of the peoples of both countries.

The possibility of a gas pipeline via Pakistan to India was also discussed. It was felt that such a project could contribute to the welfare and prosperity of the people of both countries and should be considered in the larger context of expanding trade and economic relations between India and Pakistan."

That is all as far as the statement is concerned. I would like to say that the Prime Minister gave me an honour of (by) allowing me to read this text out. I hope that this augurs well for the future of Indo-Pakistan relations. Thank you very much.

Prime Minister Dr. Manmohan Singh: Ladies and Gentlemen, before I embarked on this journey people asked me - what were your expectations of meeting with President Musharraf. I said to them before I left Delhi that this is an essay in mutual comprehension. Today I have had the privilege of meeting him. We had one-to-one, an hour-long discussion and the outcome of that meeting President has very kindly read out to you. I sincerely believe

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of confidence-building measures and efforts to carry the dialogue forward would continue. Adding that the Centre was comfortable with Musharraf's UN speech, Mr. Singh said the Pakistani President's statement that "he is not unifocal" was an indication how the dialogue was progressing. The Minister said that India was hopeful of having good trade ties with Pakistan. He cited China's example and said that trade with that country was slated to touch ten billion dollars this year. In a related move in a meeting with leader of the Opposition L.K. Advani on October 1, Dr. Manmohan Singh is believed to have told the latter that he took up the issue of cross-border terrorism with Musharraf in a forceful manner. He said there was no dilution on the Centre's part on this issue.

that today is a historic day. We have made a new beginning and I feel confident that despite the difficulties on the way, I and President Musharraf will together work and succeed in writing a new chapter in the history of our two countries.

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151. Statement by Official Spokesperson on the schedule of India-Pakistan meetings.

New Delhi, October 7, 2004.

"In the Joint Statement of September 8, 2004 issued after the meeting between the External Affairs Minister of India and the Foreign Minister of Pakistan, the two sides had agreed for holding meetings on different subjects.

Subsequently, it was agreed that the meeting between BSF and Pakistan Rangers would be held on October 11 –14, 2004 in Chandigarh.

Today, the Governments of India and Pakistan exchanged suggestions on specific dates in the second half of November 2004 and early December 2004 for holding meetings on the following subjects:

1. Meeting between railway authorities on the Munnabao - Khokhrapar rail link.

2. Meeting between the Indian Coast Guards and the Pakistan Maritime Security Agency to, inter alia, discuss the MOU for establishing communication link between them.

3. Meeting between Narcotics Control Authorities, including for finalisation of a MOU.

4. Expert level meeting on Nuclear CBMs, inter alia, to discuss the draft agreement on advance notification of missile tests.

5. Expert level meeting on Conventional CBMs.

6. Meeting on all issues related to commencement of a bus service between Srinagar and Muzaffarabad.

7. Meeting of the Committee of Experts on trade related issues.

8. Joint Survey of the Boundary Pillars in the Horizontal Segment of the International Boundary in the Sir Creek Area.

The dates would be coordinated and specific agreed dates would be announced shortly."

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152. Reaction of Official Spokesperson on Pakistani President Pervez Musharraf's proposal on Jammu and Kashmir.

New Delhi, October 26, 2004

Naturally, we have heard those comments[1]. We do not believe that Jammu and Kashmir is a subject on which discussions can be held through the media. As you are already aware it is one of the subjects in the Composite Dialogue Process. So, if there are any proposals/suggestions regarding that, that is the forum that we expect that they will be brought to.

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1. President Musharraf said in Islamabad on October 25, while speaking at a Iftar (dinner for breaking the fast during the holy month of Ramadhan) for the editors of Pakistani newspapers, that insisting on plebiscite or making the Line of Control a permanent border could not solve the Kashmir issue. He added "Any such solution has to be based on three points. First, we will have to identify the regions, demilitarize them and in the third stage change their status." He however, added for good measure that his recent talks with Prime Minister Manmohan Singh, in New York had been useful. "In our next meeting (during the SAARC summit in Dhaka in January, 2005), we would look in to various options which would come both from Pakistan and India."

153. Press release issued by the Prime Minister's Office on the telephone call made by Prime Minister Manmohan Singh to Pakistani Prime Minister Shaukat Aziz soon after the latter's arrival in New Delhi.

New Delhi, November 23, 2004.

Prime Minister Dr. Manmohan Singh spoke to Pakistan Prime Minister Mr. Shaukat Aziz on telephone here today evening and welcomed him and Mrs. Aziz to New Delhi. Dr. Singh said that he was looking forward to their meeting on Wednesday. He also conveyed his greetings to Pakistan President Mr. Pervez Musharraf.

Dr. Singh told Mr. Aziz that the world has "lived through times where what was simply unacceptable in international relations has become a norm. Who could say some twenty years ago that the Berlin Wall would be a thing of the past." Dr. Singh said that his "hope and prayer" is that "we can set in motion a similar process in this sub-continent. I earnestly and sincerely will work to that end."

Reciprocating warmly to Mr. Singh's call, Mr. Aziz conveyed President Musharraf's "warm regards" and said, "I know that having you here at the helm of affairs is a source of strength to all of us."

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154. Media briefing on the first day of engagements of Pakistani Prime Minister Shaukat Aziz.

New Delhi, November 23, 2004.

Official Spokesperson: Good evening. …….

His Excellency Mr. Shaukat Aziz, the Prime Minister of Pakistan has arrived here this afternoon and has begun his programme with a call by the External Affairs Minister Shri Natwar Singh. Presently, Prime Minister of Pakistan is meeting Shri L.K. Advani and this will be followed by a meeting with Shri Vajpayee, former Prime Minister. So, there has been a slight change in the programme that was given to you yesterday. The meeting with the Minister for Petroleum and Natural Gas will take place tomorrow.

I can give you some idea of the discussions held between External Affairs Minister Shri Natwar Singh and Prime Minister of Pakistan. It was a friendly, positive and forward-looking meeting which lasted about 45 minutes. SAARC issues were discussed. It was felt that although a good beginning has been made in the last Islamabad SAARC Summit including on SAFTA, much more could be done in the SAARC forum. Potential for further regional cooperation was recognized by both sides. This is something which will be discussed in the meetings which are to follow tomorrow.

On the bilateral side, both sides felt that the Composite Dialogue should continue to move forward, and agreed to work for increased cooperation between India and Pakistan. Mr. Aziz also mentioned that the Delegation that he has brought also reflects the commitment of Pakistani civil society to this process. As you know, there are, I understand, seven top businessmen, six editors besides the media party and six Ministers who are accompanying the visiting Prime Minister. Incidentally, all these six Ministers were present at this meeting with the External Affairs Minister. I am sure, you have the names and the designations but if you like I can tell you.

These are His Excellency Mr. Amanullah Khan Jadoon, Minister for Petroleum; His Excellency Mia Shamim Haider, Minister for Railways; His Excellency Mr. Liaquat Ali Jatoi, Minister for Water and Power; His Excellency Mr. Muhammad Ali Durrani, Minister of State for Culture, Sports and Youth Affairs; His Excellency Mr. Makhdoom Khusro Bakhtiar, Minister of State

for Foreign Affairs; and His Excellency Mr. Tariq Azeem Khan, Minister of State for Overseas Pakistanis. I should also add that besides the businessmen and editors, there are also a number of Senators and Members of the National Assembly who are accompanying the Prime Minister.

This was the first meeting of the visit. These are the trends which were discussed and these would continue in the further meetings. We will keep you informed tomorrow, once the other meetings have taken place.

Question: Was there any specific discussion on the bus service or about the schedule of meetings at the Foreign Secretary level?

Answer: I think all that is already decided and the dates have been announced for the various technical level meetings of the second round. So, today's meeting was the first meeting of the visit and we will see what all is discussed tomorrow.

Question: On the bus service…

Answer: I have given you a read-out of today's meeting. I am not talking of any specifics.

Question: Will India make MFN a condition for the Iran-India gas pipeline?

Answer: I think let us not get into hypothetical situations of 'this' or 'that'. I have given you the broad trends of the first meeting of the visit. Several meetings are scheduled for tomorrow. Let us wait for those meetings to take place and we will come back to you.

Question: Were our CBM proposals discussed?

Answer: Pakistani Prime Minister is here as Chairperson of SAARC. So, focus is on SAARC issues. Naturally he is meeting our leadership. As is obvious from today's meeting, bilateral issues are also being discussed. As to what is being discussed in every meeting, it would be very adventurous for me to try and guess.

Question: You said they talked about increased cooperation. Could you give some details about the areas where there could be increased cooperation?

Answer: I do not have any specific areas but as I said, both sides talked

about taking the Composite Dialogue forward. Naturally, as you have seen in the last few months, we have been talking of increased cooperation in several areas. You are fully familiar and conversant with the areas that we have been discussing.

Question: Did Kashmir figure…

Answer: They talked about taking the Composite Dialogue forward. And you know the agenda items of the Composite Dialogue.

Question: Will there be a joint statement tomorrow?

Answer: Let us wait for the end of the meetings. So far I have no indication that there is any joint statement.

Question: According to the earlier programme Mr. Aziz was also to meet Chairperson of UPA, Mrs. Sonia Gandhi. Why is the meeting not taking place?

Answer: I do not see that in the confirmed programme for tomorrow. But, as you know, yesterday's programme had several meetings which were to be confirmed.

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155. Press briefing by Foreign Secretary Shyam Saran on the visit of Prime Minister of Pakistan Mr. Shaukat Aziz.

New Delhi, November 24, 2004.

(The text in italics is free translation from Hindi)

Official Spokesperson: Good afternoon ladies and gentlemen. It gives me great pleasure to welcome Foreign Secretary for this afternoon's briefing. He is accompanied by India's High Commissioner to Pakistan Mr. Shiv Shankar Menon and Joint Secretary (PAI) Mr. Arun Singh. Without further ado I will request FS to kindly address you.

Foreign Secretary: Thank you very much for being present here this afternoon. I would like to just give you a brief account of the meetings that were held today between Prime Minister Dr. Manmohan Singh and Prime Minister Shaukat Aziz of Pakistan. To begin with, there was a 45-minute restricted meeting with only a few aides present on each side. And thereafter we had a one-hour delegation-to-delegation level meeting. This was followed by a lunch hosted by the Prime Minister in honour of the visiting Prime Minister.

In the talks there was a very wide ranging exchange of views. This exchange took place in a very friendly and a very constructive atmosphere. As you know the Prime Minister of Pakistan is visiting India in his capacity as Chairman of SAARC. As it would be expected SAARC was an important item therefore on the agenda of the talks. Both sides agreed that SAARC had not really lived up to its potential and that there was a needed for us to work together in order to realize this potential. Prime Minister in his presentation concerning SAARC related issues mentioned several proposals that India has put forward for consideration at the forthcoming SAARC summit in Dhaka. These include the Poverty Alleviation Fund amounting to about USD 100 million which has been announced by India for use in various collaborative projects in countries other than India. We have also recommended an Infrastructure Fund, the total of which would be something like USD 10 billion. The Fund is to be utilized for several infrastructure projects involving collaborative ventures. For example, regional road network, energy network, communications network - these are the kind of things which could be taken up under the Infrastructure Fund.

Prime Minister mentioned our proposal for setting up a High Economic Council which would include Ministers of Finance, Commerce, may be representatives of Planning Commissions essentially to give shape to our vision of a South Asia Economic Union and the steps that we would need to take in order to fulfill that collective destiny that we all accepted.

Another SAARC related issues which was mentioned by us was the problem of HIV/AIDS and the need for common efforts on the part of all countries of the region to deal with this challenge. In this connection, as you know, India has certain experience in terms of HIV'AIDS drugs and treatment. So, this is an area where we can also make a contribution. In addition, Prime Minister also mentioned certain other areas like the possibility of pooling our resources together in terms of our energy requirements, the setting up of some kind of regional energy grid which could be considered by the countries of the region. The possibility of considering a proposal for food security among all countries of the region. So, as you can see, a number of rather important initiatives were mentioned by the Prime Minister in connection with how to energize the SAARC process.

Prime Minister Shaukat Aziz welcomed these proposals. In fact he stated that Pakistan supported these proposals. He had some ideas of his own to offer. He mentioned, for example, that we need to strengthen the mechanisms of SAARC, in particular the Secretariat itself. He also mentioned that we need to be conscious of the need to make our SAARC meetings much more productive, that we have a fairly long calendar of such meetings, we move from event to event, but we need to make our meetings shorter and perhaps more productive. These were ideas which Prime Minister Manmohan Singh welcomed and said we could certainly work together in realizing these objectives.

There was discussion about SAFTA, the importance of SAFTA and how to take this process forward. Prime Minister followed this up by mentioning the vision that we have of taking South Asia towards a Customs Union and then final a South Asia Economic Union. So, as you can see, on SAARC related issues a number of very substantive ideas were discussed. As I said, there was a general agreement that the SAARC process had really not lived up to the expectations that we have had and it is time now to energize the entire process and that India and Pakistan were committed to taking this process forward.

On bilateral issues, there was an exchange of views on all the different issues which are there on the bilateral agenda. There was satisfaction that the dialogue process was moving forward. There was a commitment from both sides to take this process forward. On our side Prime Minister said that we are committed to addressing all the different items of the bilateral agenda including the issue of Jammu and Kashmir and that we were prepared to do this in a very serious, in a very purposeful manner, in a manner that is oriented towards seeking constructively solutions to the problems that we are confronting. Towards the conclusion of our meeting there was a very gracious invitation extended to Prime Minister Dr. Manmohan Singh to pay a visit to Pakistan which was very warmly accepted. The dates for this visit would be worked out through diplomatic channels.

All in all this has been a very important ands significant visit, coming as it does on the eve of the Dhaka Summit where we need to take the SAARC process forward. It has also given us an opportunity to make a review of our bilateral relations even though the focus of the visit was SAARC. As you know we are embarked on the second round of the Composite Dialogue and there was a commitment on both sides to approach this second round with all seriousness. Also, a mention was made that we would be following the second round of the Composite Dialogue with a meeting between the Foreign Secretaries of the two countries which is likely to take place before the end of the year. There would be a chance for another meeting at the leadership level at Dhaka Summit and External Affairs Minister Shri Natwar Singh is also scheduled to visit Pakistan some time in February next year. So, the process is very much set for the next several months. We are convinced that this path on which we both have decided to walk together will yield results in the future.

Question: *I have two questions. The first is that the first round of the Composite Dialogue Process has been completed. From all the issues that have come up - till the present visit of Mr. Shaukat Aziz, what are the issues about which we can be optimistic? Secondly, Mr Aziz has said that the Oil pipeline will be constructed irrespective of whether India wants it or not. Does it indicate an impasse since India has somewhat seen it in conjunction with the MFN status or the normalization of business relations?*

Answer: *As far as the Composite Dialogue is concerned, it is normal that on some issues we have moved forward and on some issues more time*

will be needed. This is very fair. On the issues on which we have not been able to make that much progress, we will take up those issues in the present round and we will try to make progress on those issues as well. But, broadly speaking we can say that on all these CBMs and bilateral issues we have achieved progress in the last few months. This should also be recognized. This is a long haul and I would like to emphasize that both sides are keen to move forward. As far as the issue of gas pipeline is concerned Prime Minister has shared with you his views on this.

Question: Can you elaborate as to what proposals, if any, were put forward on Kashmir by Pakistan and if Prime Minister Manmohan Singh raised the issue of terrorist infrastructure that exists in Pakistan with his Pakistani counterpart?

Answer: Prime Minister very clearly recalled the assurance contained in the January 6th Joint Statement between India and Pakistan, specifically referring to the assurance given by Pakistan that no territory under the control of Pakistan would be utilized for any cross border terrorism. This was conveyed by Prime Minister to his counterpart. It was also conveyed that India is committed to resolving all outstanding issues between India and Pakistan including the issue of Jammu and Kashmir and we are ready to move ahead in a very serious and purposeful manner.

Question: Did Pakistan give any specific formulation on Kashmir?

Answer: No, there was no specific formulation given on Kashmir. As far as the reference to President Musharraf's proposals or so called proposals – I do not know whether they are proposals – what was mentioned, I think was clarified by Prime Minister Shaukat Aziz himself saying that these were really ideas put forward essentially for debate within Pakistan.

Question: Anything on the bus service from Srinagar to Muzaffarabad?

Answer: This matter was touched upon and it was agreed that this was a proposal which should be implemented as early as possible. You may be aware that there is a technical level meeting on this issue which is probably going to take place on December 7 – 8 this year where there will be an effort made by both sides to resolve any pending issues and operationalize the bus service as early as possible.

Question: Did the Indian side express its concerns over repeated

statements that come from Pakistan each time such type of important meetings take place?

Answer: No, we do not believe that we need to react to each and every statement that comes from across the border.

Question: On the bus service the technical level talks are scheduled but the Prime Minister of Pakistan told us a short while ago that the issue of travel documents remains open. I would like to know what is India's position on the passport and visa issues? My second question is that Hurriyat leaders met the Pakistani Prime Minister yesterday. They want to visit Pakistan to meet the Pakistani leadership there, what is the Government of India's position on that?

Answer: As far as the bus service is concerned I think that I stated very clearly that there is going to be a technical level meeting on December 7-8 and precisely the sort of matters that you are talking about will be discussed at the meeting and hopefully we will come to a satisfactory conclusion. As far as the role of the Hurriyat is concerned, we have an elected government in Jammu and Kashmir. The Government has expressed its willingness to talk to all shades of opinion in Jammu and Kashmir including those who are not from amongst the elected representatives in the state of Jammu and Kashmir. That remains the position of the Government of India. As far as travel to Pakistan is concerned, as and when these requests are made to the Government of India these requests will be considered.

Question: Are there any security concerns regarding Srinagar – Muzaffarabad bus service?

Answer: There would be a number of concerns like the question of procedures, question of security, question of documents. As I said these are precisely the sort of issues which we need to clarify and to work out and which we will do when we meet on December 7-8.

Question: You had given 70 to 71 proposals to Pakistan and some progress was made on these earlier. Has there been any progress on these issues during this visit?

Answer: Let me clarify again that this is a visit by Prime Minister Shaukat Aziz in his capacity as Chairman of SAARC. But, we have taken advantage of his visit also to revisit and review bilateral relations. This is not a negotiating

session between the Pakistani delegation and the Indian delegation. For negotiations on various bilateral issues there is a mechanism within the Composite Dialogue and that particular mechanism is at work. We are not discussing specific issues with a view to finding common ground at this particular meeting. This is a meeting between two Prime Ministers. They are not negotiating on the nitty-gritty issues. There was an overall review. There was satisfaction that relations had gone forward. There was a common commitment to take these relations forward on the basis that we have already agreed. What is that basis? The basis is that we move ahead with our Composite Dialogue, try and find common ground, not put aside the issue of Jammu and Kashmir - as we said we are ready to talk about this issue as well - and bring a new climate to our bilateral relations.

Question: I have two questions. On the bus service, is India open to the Idea of travel on Passports without visa? Secondly, did the Prime Minister recall his statement in Srinagar on no redrawing of boundaries?

Answer: I think I have made myself very clear as far as the bus service is concerned. The kind of issues you are raising are precisely the issues that we hope to discuss and sort out in the technical level meeting that we have. So for me to say 'is there going to be a passport without a visa or is there going to be a visa without a passport'… There are a number of ideas which are there on the table and I am sure perhaps there will be more ideas put on the table when we have the technical level meeting. So, why not wait? What is important is that this is an initiative that India has taken and we are very keen to see operationalized as early as possible. We will approach the technical level talks in a very constructive spirit, in a spirit of trying to get over whatever hurdles there may be so that something which, I think, is important to both the people of India as well as the people of Pakistan can be operationalized as early as possible.

As far as your second question is concerned, Prime Minister mentioned that what he had said in Srinagar was no different from what he had said to President Musharraf in New York.

Question: Were any trade related issues discussed?

Answer: Yes, Prime Minister said that he was very keen that there should be greater economic and commercial linkages between the two countries. I am happy to tell you that it was agreed between the two Prime Ministers

that we should have banking relations and we have agreed that we could have reciprocal setting up of banks in each others country and the Central Banks of the two countries will perhaps be taking this particular idea forward.[1]

Question: You just mentioned that Prime Minister told Prime Minister Shaukat Aziz what he had said in Srinagar was no different from what he had told President Musharraf in New York. What did he say?

Answer: In discussing the issue of Jammu and Kashmir, Prime Minister mentioned that we have a very consistent and a very constructive stand on approaching the issue of Jammu and Kashmir. He recalled what he had mentioned to President Musharraf in New York.

Question: What exactly did he say?

Answer: Well, the Indian position is that we have a certain approach with regards to Jammu and Kashmir. What is that approach? That approach is that this is a complex issue. This is an issue, which has perhaps a considerable amount of emotion involved on either side. If we wish to try and seek an understanding on this question there is a need for building a degree of trust and confidence on both sides. How do we build that trust

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1. On the day Prime Minister Aziz arrived in New Delhi, the Indian Commerce Minister Kamal Nath on a visit to Islamabad to attend the two-day SAARC Commerce Ministers' Conference had a meeting with Pakistani President Pervez Musharraf when it was decided to set up a Joint Study Group on Economic Cooperation between the two countries. The Joint Study Group will examine the possibilities of further preferential trade arrangements between India and Pakistan on goods and services as well as investment. It would also have sub-groups to look at possibilities in various areas. The JSG will be headed by the Commerce Secretaries of the two countries.
   Meanwhile Indian Ministry of Commerce in a press release issued on November 28 expected buoyancy in India – Pakistan trade during the financial year 2004-05. The press release said: "Bilateral trade between India and Pakistan is showing a very buoyant trend during the current financial year (2004-05), Shri Kamal Nath, Union Minister of Commerce and Industry has indicated. According to the available bilateral trade data for the first four months of this fiscal (April to July) India's exports to Pakistan have shown a record 328 per cent increase, having gone up to US $ 167.38 million from US $ 39.10 million during the corresponding months of last year 2003-04. Imports from Pakistan are estimated at US $ 18.98 million as against US $ 25.31 million during the same period last year, but are expected to pick up during the remaining months of this fiscal year. Thus the total two-way trade between India and Pakistan during April – July of this year has trebled in four months, rising to US $ 186.36 million as against US $ 64.41 million during April-July 2003. Total trade between India and Pakistan stood at US $ 344.29 million in full year 2003-04, US $ 251.01 million in 2002-03, US $ 208.77 million in 2001-02 and US $ 250.35 million in 2000-01. If the present growth trend continues, the total trade between India and Pakistan may cross US $ 500 million during the current financial year 2004-05."

and confidence? How do we increase and expand the constituency of peace both on the Indian side and the Pakistani side? What is positive is that there is today, and this was something that was agreed by both Prime Minister Dr. Manmohan Singh and Prime Minister Shaukat Aziz, that there is a new mood amongst the people of both countries. People of both countries want peace. They want to take friendly relations between the two countries forward. So, why not try and expand that area of peace and friendship between the two countries so that it becomes easier to deal with this complex issue. In the way we look at it, the confidence building process is not a deflection from the Jammu and Kashmir issue. In fact, it is integral to seeking a solution to the complex problem of Jammu and Kashmir.

So, that is the approach that we have adopted and in terms of how this is to be brought about, Prime Minister had mentioned this publicly that we obviously cannot look at another division of the country on the basis of religion. We are not looking at territorial solutions. Ours is a people centered approach. We are looking at how we can somehow ameliorate the negative consequences of the lines which have been put on the map, try to bring people together. After all, what is the Srinagar – Muzaffarabad bus service about? This is also to bring people together. So, the affinities that are there on either side of the LoC or either side of the international boundary, those affinities should be allowed to expand. We should be able to build upon that. That is the approach that we have.

Question: Prime Minister Shaukat Aziz reiterated the old Pakistani line that there should be progress in other areas in tandem with progress on Kashmir. Does that not retard the confidence in the whole Composite Dialogue process?

Answer: We are moving in tandem. After all, what is the Composite Dialogue all about?

Question: Do you think that Pakistan is committed to take forward the process of Composite Dialogue? In the New York interaction Prime Minister Manmohan Singh had talked about out of the box solution. Is that a proposition that is still considered viable?

Answer: Prime Minister has stated before and I think he has stated again that we are willing to look at various kinds of options there might be. But, these options must be based on ground realities. So, how do we move

forward? We move forward in a measured fashion as I just now spelt out for you that we regard the process of confidence building as not separate from dealing with the issue of Jammu and Kashmir. To our mind they are in fact linked together.

Question: Pakistan Prime Minister's statements suggest that Pakistan is fully now committed to the Composite Dialogue…

Answer: I do not wish to interpret what the Pakistani position is. As long as there is a commitment to carrying this process forward – and that seems to be the case at this point of time. I mentioned to you that till February we have a number of agreed high-level meetings that we are looking at. We have no reason to believe that this process will not continue and move forward.

Official Spokesperson: I think we will have to leave it there. Thank you very much ladies and gentlemen.

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156. Question in the Rajya Sabha: "External Affairs Ministers' Level Talks between India and Pakistan".

New Delhi, December 2, 2004.

Will the Minister of External Affairs be pleased to state:

(a) the specific topics discussed between India and Pakistan at the External Affairs Ministers' level talks at Islamabad and New Delhi, when the two met in August and September last; and

(b) the decisions arrived at as a result thereof and the follow up action taken so far by the two Governments to implement them?

The Minister of State in the Ministry of External Affairs (Shri E. Ahamed):

(a) & (b) External Affairs Minister, Shri K. Natwar Singh, met the Pakistani leadership, including Foreign Minister Kasuri, during his visit to Islamabad from July 19 to 23, 2004 for the SAARC Ministerial Conference. They, inter

alia, shared perceptions on all aspects of bilateral relations. Both sides expressed satisfaction at the wide range of contacts taking place at governmental and non – governmental levels between India and Pakistan, and reiterated the importance of continuing the dialogue process in an atmosphere free from violence, and to tackling the scourge of terrorism with renewed vigor.

During their meeting on September 5-6, 2004 in New Delhi, the Foreign Ministers of India and Pakistan reviewed the overall progress in the Composite Dialogue, and positively assessed the developments in bilateral relations.

The two Ministers agreed to a number of technical level meetings on various subjects, including, expert level meetings on Conventional and Nuclear CBMs, inter alia, to discuss the draft agreement on advance notification of missile tests; meeting between railway authorities on the Munnabao - Khokhrapar rail link; meeting between Indian Border Security Force (BSF) and Pakistan Rangers; meeting between Narcotics Control Authorities, including for finalisation of an MOU; meeting between the Indian Coast Guards and the Pakistan Maritime Security Agency to, inter alia, discuss the Memorandum of Understanding for establishing communication link between them; and meeting on all issues related to commencement of a bus service between Srinagar and Muzaffarabad.

They also agreed to the establishment of a Committee of Experts to consider issues related to trade; a Joint Survey of the boundary pillars in the horizontal segment of the international boundary in the Sir Creek area; addition of a new category of Tourist Visa in the visa regime between the two countries, and to promote group tourism; set up a mechanism to deal with the issue of civilian prisoners and fishermen, effectively and speedily; undertake further measures for facilitation of visits to religious shrines, and upkeep of historical sites; implement the outcome of the August 2004 meeting of Defence Secretaries; and enhanced interaction and exchanges among the respective Foreign Offices, including study tours of young diplomats/probationers to each other's country.

The process has been taken forward by high-level meetings and visits, including the meeting between Prime Minister Dr Manmohan Singh and President Musharraf in New York on September 24, 2004, and the visit of the Prime Minister of Pakistan to New Delhi on November 23-24, 2004 in

his capacity as the Chairperson of SAARC. The meetings on various subjects that were agreed to by the two Foreign Ministers are scheduled to be held in the first three weeks of December 2004. Later, the two Foreign Secretaries are expected to meet to initiate the next round of the Composite Dialogue.

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157. Joint statement issued at the end of India–Pakistan discussions on Khokhrapar-Munnabao Rail Link.

Islamabad, December 3, 2004.

A meeting between the delegations of Pakistan and India was held on 2nd & 3rd December, 2004 to discuss the modalities of the resumption of rail-link between Pakistan and India through the border at Khokhrapar-Munnabao. The Pakistan delegation was led by Mr. Zaeem Ahmed Chaudhry, Secretary Railway Board, Ministry of Railways while the Indian delegation was led by Mr. Lajpat Rai Thapar, Additional Member (Traffic) Railway Board.

2. The talks were held in a cordial and constructive manner.

3. Both sides agreed to an early resumption of the rail link between Khokhrapar- Munnabao. It was also agreed by the two sides to take necessary steps in the interim, to undertake specific activities including laying of railway tracks and other related infrastructure, to operationalize the rail link.

4. It was agreed to hold the next meeting between the Railway authorities of Pakistan and India on a mutually agreed date.

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158. Joint press statement issued at the end of India - Pakistan talks on Srinagar-Muzaffarabad bus service.

New Delhi, December 8, 2004.

The first meeting between India and Pakistan on all issues related to the commencement of the bus service between Srinagar and Muzaffarabad was held in New Delhi on December 7-8, 2004. The Indian delegation at these discussions was led by Shri Alok Rawat, Joint Secretary, Ministry of Shipping, Road Transport and Highways, while the Pakistani delegation was led by Mr. Jalil Abbas Jilani, Director General, Ministry of Foreign Affairs of Pakistan.

2. The Pakistan delegation called on the Secretary, Department of Road Transport and Highways of India.

3. The talks were held in a frank, cordial, and constructive atmosphere.

4. Both sides reiterated their commitment towards an early establishment of the proposed link. Ideas were exchanged on all aspects related to operationalisation of the bus service between Srinagar and Muzaffarabad. The two sides agreed to continue discussions at the next meeting to be held at mutually agreed dates[1].

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1. The talks were apparently stalemated on the question of travel documents that the passengers must carry with them on this journey. While India proposed use of passports along with entry permit issued by the High Commissions in New Delhi and Islamabad, Pakistan stuck to her position that passports would not be acceptable to her and that the passengers use only the Identity Cards. Pakistan too insisted that the bus service should only be restricted to Kashmiris while India wanted it to be available for all her citizens irrespective of their place of residence in India.

159. Joint statement issued at the end of Director General level talks between Narcotics Control Bureau India and Anti-Narcotics Force Pakistan.

New Delhi, December 14, 2004.

The Sixth Director General level talks between the Narcotics Control Bureau of India and Anti Narcotics Force of Pakistan were held on 13-14 December 2004 at New Delhi to discuss bilateral cooperation in drug related matters. The Pakistan delegation was led by Maj. Gen. Nadeem Ahmed, Director General, ANF, Pakistan and the Indian delegation was led by Mr. Swaraj Puri, Director General, NCB.

The Pakistan delegation called on Mr. Shivraj Patil, Hon'ble Union Home Minister.

The talks were held in a cordial & constructive atmosphere. Both sides positively engaged with each other on issues relating to the trafficking of drugs, psychotropics and precursor chemicals and means of enhancing bilateral cooperation in exchange of information and operational intelligence.

Pursuant to a decision taken at the Secretaries level meeting in August 2004 for institutionalizing agency to agency cooperation, both sides exchanged a draft Memorandum of Understanding on drug related matters.

It was agreed that the next DG level talks would be held in Pakistan in June 2005 on mutually convenient dates to be decided through diplomatic channels.

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160. Joint statement issued at the end of the second round of India-Pakistan Expert Level talks on Nuclear CBMs.

Islamabad, December 15, 2004.

In accordance with the agreement between the Foreign Ministers of Pakistan and India in September 2004, the second round of the Expert Level talks on Nuclear Confidence Building Measures was held in Islamabad on 14-15 December 2004. The Indian delegation was led by Ms. Meera Shankar, Additional Secretary (UN), Ministry of External Affairs. The Pakistan delegation was led by Mr. Tariq Osman Hyder, Additional Secretary (UN&EC), Ministry of Foreign Affairs. The visiting Indian delegation called on the Foreign Minister of Pakistan Mr. Khurshid M. Kasuri.

2. The two sides held discussions in a cordial and constructive atmosphere, in the framework of the Lahore MoU of 1999 and the Joint Statement of 20 June 2004. Both sides reiterated their desire to keep working towards elaboration and implementation of Nuclear CBMs, within the agreed framework.

3. Detailed consultations were also held on the early operationalization of the decisions taken during the last round of Expert Level talks on Nuclear CBMs held in New Delhi on 19-20 June 2004, especially on the upgradation of the existing hotline between the DGMOs, and the establishment of a dedicated and secure hotline between the two Foreign Secretaries. These measures are, inter alia, intended to prevent misunderstanding and reduce risks relevant to nuclear issues.

4. Both side agreed the future periodic Expert Level talks on Nuclear CBMs would discuss, review and monitor the implementation of Nuclear CBMs as called for by the Lahore MoU of 1999.

5. They also agreed to report the progress made in the present round of the talks to the respective Foreign Secretaries, who are scheduled to meet on 27-28 December 2004, and decide on the date and venue of the next Expert Level meeting on Nuclear CBMs.

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161. Joint statement issued at the end of India-Pakistan Expert Level meeting on Conventional Confidence Building Measures.

Islamabad, December 15, 2004.

Pursuant to the agreement between the Foreign Ministers of Pakistan and India in September 2004, an Expert Level meeting on Conventional Confidence Building Measures was held in Islamabad on 15 December 2004. Mr. Tariq Osman Hyder, Additional Secretary (UN&EC), Ministry of Foreign Affairs, led the Pakistan delegation, and Mr. Arun Kumar Singh, Joint Secretary, Ministry of External Affairs, led the Indian side.

The talks between the two delegations were held in a cordial and constructive atmosphere.

The two sides held discussions on the significance of and overall approaches to Conventional CBMs, and exchanged views on various proposals. The results of the discussions will be reported to the respective Foreign Secretaries.

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162. Joint press statement issued at the end of India-Pakistan talks on Joint Survey of the Boundary Pillars in the Horizontal Segment in the Sir Creek Area.

Islamabad, December 15, 2004.

In pursuance of the understanding reached during the Foreign Minister level meeting in New Delhi on September 5-6, 2004, a meeting between the Pakistani and Indian delegations to discuss the modalities for carrying out Joint Survey of the Boundary Pillars in the Horizontal Segment (Blue dotted line) in the Sir Creek Area was held at Rawalpindi on December 14-15, 2004.

The Pakistan delegation was led by the Surveyor General of Pakistan, Maj.Gen. Jamil-ur-Rehman Afridi, while the Indian delegation was led by Brig. Girish Kumar, Deputy Surveyor General of India.

After detailed technical discussions, the two sides agreed that the Joint Survey would commence from January 3, 2005. A Joint report would then be submitted to the respective Governments.

The India delegation called on Rear Admiral Ahsan-ul-Haq Chaudhri, Additional Secretary, Ministry of Defence, Pakistan.

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163. Press Conference by Foreign Secretary Shyam Saran after first round of India – Pakistan Talks.

Islamabad, December 27, 2004.

Opening remarks: I would like to begin by expressing deep appreciation for the invitation extended to me to visit Pakistan, and for the opportunity to visit Peshawar and hopefully also Lahore. We had a round of discussions today morning. I would like to give you all a brief idea of this meeting. We carried out a comprehensive review of the dialogue that has taken place so far. A number of issues were discussed. You are aware of the meetings such as those on Sir Creek, Anti-narcotics, and Expert-level Meetings on Conventional and Nuclear CBMs. We agreed on the Joint Survey of pillars on the horizontal segment in Sir Creek, and had a useful discussion on anti-narcotics. We had covered considerable ground in these talks and both sides expressed satisfaction at the progress made so far. We had agreed that during the Foreign Secretary-level talks we would try to further narrow the differences that exist.

A number of very important visits have taken place in recent months. CM of (Pak) Punjab visited India on the invitation of the Chief Minister Mr. Amarinder Singh. Recently the Speaker of the National Assembly of Pakistan had an extremely successful visit to India. The traffic across the border has increased at a rapid pace and we want to keep up the momentum. There is a visible improvement in relations, and there is less tension. We recently celebrated the first anniversary of the ceasefire which is holding. We have taken forward a number of CBMs.

My assessment of the talks this morning is that both sides want to continue the process. There is a commitment to try and ameliorate some of the areas where there are humanitarian concerns. One such case is that of the fishermen and civilian prisoners. Both countries have a responsibility to ameliorate the sufferings of these people. One other area is that of children who inadvertently cross the borders. There was a matching response from Pak side on measures to address these humanitarian issues; this will enable us to move forward.

We have also offered some more CBMs like easier travel of senior citizens over 65 years of age and children below 12 years. They will not have to seek visas at the Indian High Commission in Islamabad to travel to

India. This would also apply to groups whose antecedents are pre-vetted. This will help them cross the border in an easier manner. Formalities and procedures for entry into India can be completed at the Wagah Attari check-post itself. The High Commission will forward information to New Delhi on the groups, and these groups can obtain permission to enter on arrival.

We have also conveyed that Student Visas can be given on a case by case basis to those children who get admission in India for studies. We have also discussed inclusion of more religious places and list of shrines to be visited.

Both sides have agreed to carry forward the next round of talks, which will go on till June-July next year. The calendar of meetings is under preparation. This reflects the commitment for dialogue on both sides. We have all along said that we have to be engaged in a sustained dialogue. After completion of the expert-level talks, the Foreign Secretaries will meet again to review the progress achieved. We had a number of meetings in the recent past, including one between President Musharraf and Prime Minister Singh. Prime Minister Shaukat Aziz recently visited India. We will have the SAARC Summit when both Prime Ministers will also have an opportunity to meet. Our External Affairs Minister (EAM) will visit Pakistan in the next few months. These (interactions) will give us opportunities to see how our relations can be taken forward.

We will also discuss Jammu & Kashmir tomorrow. We are ready to engage in a serious dialogue on Jammu & Kashmir. There is a misperception in Pakistan that India is trying to take the CBMs forward and marginalise discussions on Jammu & Kashmir. I will say with complete honesty that this is not the case. We believe in having a serious dialogue on Jammu & Kashmir along with moving forward on the CBMs which would give a chance for finding solutions to the issue of Jammu & Kashmir. This is part of a process. Far from deflecting progress on J & K, movement on CBMs will help us to find solutions. It is our sincere view that building confidence through CBMs is integral to resolving the issue of J & K.

We fully agree with President Musharraf when he said perhaps there is a trust deficit, and that needs to be addressed. We have to deal with public opinion. We, both in Pakistan and India, have to carry our people with us. Any understanding on J & K must be supported by our people, on both sides. It makes eminent sense to expand the peace constituency on

both sides. At the end of the day, we are talking of people. There should be no doubt in the minds of the people in Pakistan that we are serious about finding solutions to the Jammu & Kashmir issue. The feeling that confidence building is opposed to, or detracts from, finding a solution to Jammu & Kashmir is misplaced. On the contrary, it will help.

The Joint Press statement of January 6 contains a very solemn assurance that no territory under control of Pakistan will be used to sponsor cross border terrorism. This is a fundamental assurance for us, and critical for taking the dialogue process forward. This solemn assurance is important and should be implemented in letter and spirit. I hope it will be implemented.

Qn: What will be the basis of your discussions on Jammu & Kashmir? Is it that territories on both sides of the line of control are considered disputed? (Javaid Rana, *The Nation*)

FS: Our legal position is that Jammu & Kashmir is an integral part of India. We are prepared to look at the issue that has arisen with regard to Jammu & Kashmir by focusing on the people. Certain lines are drawn on the maps. There is nothing much we can do in the near future to change these lines. What we can do is to ameliorate the sufferings of people on both sides. We should be focusing on the people. That is our effort. If we take this process of CBMs including in Jammu & Kashmir forward to make it possible for the people to interact, perhaps options which are not available to us today may reveal themselves. Enhanced interaction among Kashmiris will throw up solutions in the times to come. We are committed to a peace process. What we are engaged in is to have peace with Pakistan.

Qn: - Is tomorrow's discussion going to be about new proposals on Jammu & Kashmir ? (Mr. Nayar, UNI)

FS: If you are looking for a solution as it exists, this is not the case. This is a very sensitive and sentimental issue for both sides. So a solution is not possible in the next few days. We need to be engaged in a process. Our Pakistani interlocutors agree on the need to engage in a process, and not in an event so that the consequences of the lines drawn on the map can be addressed.

Qn: Are you proposing to include people of Jammu & Kashmir in the dialogue? (Khalid Aziem, Editor, Daily *Ummat* Karachi)

FS: The people of India are involved in the dialogue, and thereby the people of Jammu & Kashmir, being a part of India. How do we then include the people? The only way we know how to do this, as a democracy, is through elections. So we will deal with the elected Government of Jammu & Kashmir. We are also willing to involve other people who want peace.

Qn: Have we received any note on the seven regions proposal from President Musharraf? If a note is received what will be your reaction? (Mohan Das, UNI)

FS: No. I cannot comment on any hypothetical situation.

Qn: Everyone knows that Jammu & Kashmir issue cannot be solved quickly. But it is a positive sign that our Indian friends are talking about solutions after fifty years. Do you have any timeframe in mind? (Mazar Iqbal, Daily *Islam*)

FS: I would like to correct the historical part (of your question). It is wrong to say that Jammu & Kashmir was not discussed in the past. We talked about ways for a solution even before the Shimla Agreement. I can assure you that we are ready to discuss it with all seriousness. Then on the question of timeframe. To us, sooner the better. But this is a process, and I do not think we can put or impose artificial timelines on a process.

Qn: Do you think that Pakistan will hold to its solemn assurance on cross-border terrorism? And do you think India would agree to a third party facilitation or mediation? (Sherry Sardar, Reuters, Islamabad)

FS: On implementation of the solemn pledge made (by Pakistan) on cross-border terrorism, much more needs to be done. The phenomenon of cross-border terrorism has not ceased. On our agreeing to a third party facilitation, I do not think so. Both sides are involved in a sustained, substantive dialogue process. Both sides are committed to an early solution. I do not see any need for any third party.

Qn: Pakistan offered assistance to India following the (disaster caused by the) Tsunami tidal waves. Is it the first time such assistance has been offered? On proposal for visas to Pakistani students, how will this be implemented. What has been the response of Pakistan on the visa proposals? (Sadaqat Khan, Associated Press, Islamabad)

FS: In the meeting today morning, and also during my call on the Foreign Minister of Pakistan, I expressed our appreciation for the sympathy and support from Pakistan on the tragedy which has not only affected India, but also several countries in the region. I will convey this to our authorities. We will see if there are areas of support needed from Pakistan.

On grant of student visas, we will verify these on a case-by-case basis, and grant visas for the duration of the courses. On the question of Pakistan's response, we do not ask for reciprocation. If they do respond, we would be happy. Let me also mention here that the Government of India has offered medical assistance to two groups of Pakistani children numbering about forty. We have announced that we are ready to assist 20 more such children.

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164. Press conference by Foreign Secretary Shyam Saran at the end of India – Pakistan talks.

Islamabad, December 28, 2004.

Opening remarks: I have not had such an intensive interaction with the press anywhere else twice in a matter of 24 hours. I believe this will promote understanding between the two countries.

I have had a friendly and cordial meeting with the Prime Minister of Pakistan and both sides moved to the second round of discussions today in which the focus was Jammu & Kashmir. We had a fairly full discussion on what is an important agenda item. Both sides agreed on a Joint Statement which deals with several important issues. You will have copies of this shortly.

Firstly, for us in India, and I believe for Pakistan as well, it was extremely important to reflect the importance of the solemn assurance of President Musharraf to Vajpayee, contained in the Joint Statement of January 6, 2004, where President Musharraf reassured that he will not permit any territory under Pakistan's control to support terrorism in any manner. We have had some discussion on that and it is reflected in the Joint Statement. Terrorism is a threat to India and to Pakistan and both

countries have a shared objective in confronting it. We hope in the coming days we will join hands in dealing with it.

I have had discussions on the issue of peace and security, and we reviewed progress from meetings in the recent past. We have tried to narrow down differences and are to trying to come to some agreement on the areas of convergence. I am happy to inform that we have made some progress. On contacts between the DGMOs, we agreed on regular contacts at designated places on the LoC and the International Boundary. This will be in the shape of more frequent meetings between the local commanders on both sides. There is now a willingness to look at various points (along LoC and the IB) for contacts among army personnel on both sides.

We have taken a decision on Pre-Notification on Missile Tests and I am happy to inform you that we have worked to narrow down our differences. The gap that existed earlier has been narrowed down. I wish to report to you on another important agreement. As I mentioned yesterday, the focus in our discussions has been on humanitarian aspects of our relations, despite differences in our respective stated positions. We tried to see whether we could minimize negative consequences of the lines drawn on the maps, and if we could do something to minimize the suffering of the people. In this context we looked at easier ways of issuing visas to school children and to senior citizens, and offered assistance in medical treatment of (Pak) children in India. In the same spirit we could agree on the issue of treatment of civilian prisoners. We agreed that immediate notification will be provided to the respective High Commissions on detention/arrest of nationals from either side. Another positive aspect of the agreement reached is on provision of consular access within three months of apprehension on either side, and facilitation of repatriation in respect of those cases where sentences are completed and nationalities verified. We also discussed immediate repatriation, when sentenced, of inadvertent crossers – children in particular. This is very important in terms of confidence building, and is a very positive development.

In keeping with the joint commitment to take the dialogue process forward, we agreed on meetings between January and July/August, 2005. At the end of these meetings in July/August, Foreign Secretaries will meet to review the progress made.

I will now turn to some of the highlights from my meetings this morning.

We have had a full discussion on J&K. I put forward the Indian position. Firstly, there should be no apprehension that Jammu & Kashmir will be marginalized in our discussions, or put on the backburner. Secondly, there is a recognition obviously that it is a complex issue, and we need time to deal with it. But in the meantime, it is important to make it a humanitarian issue and deal with the problems of the people on both sides. Indian side put forward a proposal for meetings of families/reunion of families in Kashmir at five places, on designated days and periods of time, under joint security arrangements. The places are Manthar, Poonch, Suchetgarh, Uri, and Tangdhar along the Neelam Valley. Our Pakistani friends have told us they are willing to consider the proposal for allowing family reunions under joint arrangements.

Effort has been to try and find some areas of convergence despite the fact of difference on certain key elements of the J&K issue. I go back to India with a renewed sense of optimism. I believe there are a number of areas where we can work together.

There were a number of salient points in my meeting with the Prime Minister of Pakistan. I conveyed the warm greetings and personal regards of our Prime Minister to Prime Minister Shaukat Aziz. I conveyed to him that our PM also looks forward to meeting PM Shaukat Aziz in the Dhaka SAARC Summit.

We talked about the importance of trade and economic linkages between India and Pakistan. PM Aziz very kindly agreed to the establishment of banking relations between our two countries, and to consider applications from our banks to set up offices in Pakistan.

On Pak apprehensions on trade imbalance, and on there being no level playing field, we agreed to address these apprehensions in the ambit of the Joint Study Group that has been established. We also focused on infrastructure for trade between the two countries, and the comparative advantage that Pakistan possesses in its relative proximity to India. Pakistan must be able to take advantage of India. For this, transport linkages such as highways and railway development will provide for a much easier flow of goods and people through our borders. We would also need to look at a number of other linkages in banking, telecommunication and in improving cross-border infrastructure to leverage cross-border trade. We will also look at non-tariff barriers.

I had a very positive meeting with Prime Minister Shaukat Aziz. He has an open mind to promote trade and economic relations, and this is fully reciprocated from our side.

PM Shaukat Aziz reminded us of the invitation extended to Prime Minister Manmohan Singh to visit Pakistan and I will take this back to New Delhi.

Qn. On three points of flexibility that India brought to the table in Islamabad (Qudssia Akhlaque, *Dawn*)

FS: Why only three? On every point there is flexibility (from our side). I will not cherry-pick on three points. We need to be pragmatic, and practical, and expand the range of our cooperation. Despite differences we have agreed to work together. There is an agreement, for example, on the issue of civilian prisoners…

Qn. What about flexibility…with reference only to J&K (Qudssia Akhlaque, *Dawn*)?

FS: We have agreed to promote cross-LOC contacts, and promote cross-International Border contacts. In addition, as I mentioned earlier, we will be determining possible meeting places for allowing reunion of Kashmiri families along the LOC. On the Srinagar-Muzaffarabad bus, we will adopt a practical and flexible approach.

Qn. Will India be flexible on the issue of documentation for the Srinagar-Muzaffarabad bus link (Saurabh Shukla, *India Today*)?

FS: The matter is under discussion. Both sides look at an early operation of the bus service, and both sides will be practical and flexible.

Qn. The September agreement in New York was to explore all possible options on the J&K issue. What are these options for a resolution of the Kashmir issue (Nabiha Ahmed, PTV)?

FS: We are involved in a process, and the process is something that will move step-by-step. We will have to work to make the lives of the people better on both sides. Once Kashmiris on both sides of the border have an opportunity of meeting each other, it will help the process of finding a solution. We have not received any options as such (from Pakistan) in terms of a final settlement. But there is a readiness to take the process forward. As I

pointed out yesterday, I informed all my interlocutors that building on the affinity between the people of two countries should not be seen as a distraction. The goal is to make the lives of people on both sides of the border easier. The goal is to find a final settlement (to the J&K issue), and in moving forward along that goal to be realistic and practical, and be involved in a process.

Qn.… What is the issue of Jammu and Kashmir ? (Imtiaz Gul, Voice of Germany) and

Qn…. (simultaneously)…India has used opportunity of ceasefire to build a fence on the LoC to change the status ? (Mohd. Saaleh Zaafir *Jang*)

JS(XP): Mr. Zaafir, we all know that you don't need permission to ask questions…

FS: The reason for the fence is simple. It is the responsibility of the State to provide peace and security to its people. We are discharging that. All of us here know the background of differences between India and Pakistan. If you do not see what the issue is, then we could all go back home. Differences of opinion are there. But instead of reiterating our positions, we should be seeing points of convergence on which to build. We believe we have embarked on that path, and are making progress. I believe after the present meetings in Islamabad, I am going back with a renewed sense of optimism.

Qn. Are you convinced Pakistan is taking steps to completely stop cross border terrorism (Mohan Das, UNI)?

FS: On this I will refer you to the Joint Statement issued. We believe that more needs to be done in this regard (by Pakistan). Having said that, I must add we have had a full and substantive discussion on a very broad range of issues, not just J&K. I have mentioned the issues already. The swiftness with which we have reached an understanding on civilian prisoners is one indicator.

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165. Joint statement issued at the end of the talks between Foreign Secretaries of India and Pakistan.

Islamabad, December 28, 2004.

The Foreign Secretaries of Pakistan and India met in Islamabad on 27 – 28 December 2004 to review overall progress, commence the next round of the Composite Dialogue and discuss the issues of Peace and Security including CBMs, and Jammu and Kashmir. Foreign Secretary of Pakistan Mr. Riaz H. Khokhar, led the Pakistan delegation while the Indian delegation was led by Foreign Secretary Mr. Shyam Saran. The talks were held in a frank, cordial and constructive atmosphere[1].

2. Recalling the solemn and categoric reassurance contained in the Joint Press Statement of 6th January, they expressed their determination to carry the process forward.

3. On the issue of Peace and Security including CBMs, the two Foreign Secretaries, inter-alia reviewed the progress made during the meetings of Experts on Nuclear and Conventional CBMs. Building upon the existing contacts between DG MOs, they agreed to promote regular contacts at local level at designated places and explore further CBMs along the international boundary and the LoC. They discussed and narrowed further

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1. The EAM Natwar Singh had on December 22 told the Rajya Sabha that there was "no dirft in India's Pakistan's policy" and that the dialogue process with Pakistan was on track. Sounding optimistic but frank he said "even modest progress is worthy of respect." The Foreign Secretary Shyam Saran when he arrived in Islamabad on December 25 giving the focus of the talks had said: "This time the main focus during my talks with my counterpart in Islamabad would be on building mutual trust in the fields of nuclear and conventional arms and countering narcotics trafficking." While in Peshawar on a short visit on the same day, he told the media there that both the sides were approaching the talks with an "open mind". He was candid enough to tell the journalists that good relations between the two countries would help economic cooperation in South Asia as a whole. At the end of the first day of the meeting the Indian Foreign Secretary told the media in Islamabad that he sought to put at rest apprehensions on the Pakistani side that India was putting premium on CBMs to sideline Kashmir. He told the Pakistani side that India was ready for a "serious and sustained dialogue" on Kashmir. At the same time he reminded about the "fundamental assurance" given by Gen. Musharraf in January 2004 about not allowing Pakistani soil for anti-India activities and emphasized that implementation of the promise was critical to take forward the process. To questions Shyam Saran said that the "phenomena of cross-border terrorism" have not ceased. He added that there could be no instant solutions particularly to complex issues such as Jammu and Kashmir given the sentiments of people in both the countries. He maintained that sustained and serious engagement was the only way forward for resolution of differences.

their differences on the draft agreement on pre-notification of flight testing of ballistic missiles, and agreed to work towards its early finalization.

4. Both sides discussed the issue of Jammu and Kashmir and agreed to carry forward the process in the light of the Joint Statement issued after the meeting between President of Pakistan General Pervez Musharraf and Prime Minister of India Dr. Manmohan Singh in New York on September 24, 2004.

5. The meetings on the other six subjects under the Composite Dialogue, i.e. Siachen, Wullar Barrage/Tulbul Navigation Project, Sir Creek, Terrorism & Drug Trafficking, Economic & Commercial Cooperation and Promotion of Friendly Exchanges in Various Fields would be held on mutually agreed dates between April and June 2005.

6. The two sides also agreed that technical meetings including the Joint Study Group on Trade matters headed by the Commerce Secretaries, Indian Coast Guards and Pakistan Maritime Agency, Pakistan Rangers and Border Security Force of India, Expert level dialogue on Nuclear and Conventional CBMs, technical level meeting on bus service between/through Amritsar and Lahore, meeting between the Narcotics Control Authorities would be held between January and June 2005.

7. They also discussed issues related to apprehended fishermen, civilian prisoners and missing defence personnel. It was inter-alia agreed that:

(i) Immediate notification would be provided to the respective High Commissions through the Foreign Ministries of arrested Pakistani/Indian nationals;

(ii) Consular access would be provided within three months of apprehension;

(iii) Repatriation would be done immediately after completion of sentence and nationality verification;

(iv) A mechanism would be introduced for early repatriation, without sentencing of inadvertent crossers;

(v) A similar mechanism would be established for early release, without sentencing of those under 16 apprehended by either side.

8. The Foreign Secretaries of the two countries would meet in New Delhi to review the overall progress in the Composite Dialogue in July-August 2005.

9. The Foreign Ministers and the Prime Ministers of the two countries would meet during the SAARC Summit in Dhaka in January 2005. The External Affairs Minister of India Mr. K. Natwar Singh would visit Islamabad in February 2005 for bilateral discussions.

10. The Foreign Secretary of India called on Prime Minster Shaukat Aziz and Foreign Minister Khurshid M. Kasuri of Pakistan during the course of his visit to Islamabad.

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SRI LANKA

166. Memorandum of Understanding on Cooperation in the field of Tourism between the Government of the Republic of India and the Government of the Democratic Socialist Republic of Sri Lanka.

New Delhi, January 23, 2004.

The Government of the Republic of India and the Government of the Democratic Socialist Republic of Sri Lanka (hereinafter referred to as "The Parties").

Desiring to further strengthen the friendly relations existing between the two countries;

Determined to promote mutual understanding of their peoples through expansion of cooperation in the field of tourism on the basis of equality and mutual benefit;

HAVE agreed as follows:

Article-1

The Parties shall create favourable conditions for the development

of long-term cooperation in the field of tourism for mutual benefit of the two countries.

Article-2

The Parties shall, in accordance with the laws and internal regulations in force of each country, .encourage the application of simple procedures for their citizens travelling between two countries for tourism purposes.

Article-3

The Government of the Republic of India shall designate the Ministry of Tourism, Government of India and the Government of the Democratic Socialist Republic of Sri Lanka, shall designate the Ministry of Tourism of Sri Lanka, as their executing agencies to be responsible for all matters relating to the implementation of this MOU.

Article-4

The Parties shall facilitate the said executing agency of each Party to set up its Representative Office for Tourism in the other country, in accordance with the laws in force in the country where such office is located:

Article- 5

The Parties shall encourage their executing agencies to coordinate in tourism activities in accordance with the laws, rules and regulations in force in each country by exchanging information, expertise and experience regarding inventory of tourism resources, prevalent legislation and regulations on tourism activities and measures for preservation as well as sustainable development of both natural and cultural resources.

Article-6

The Parties shall encourage the exchange of expertise in the field of tourism, particularly in the areas of organizing, management and operation of tourist industry, and shall assist each other in training their staffs in the field of tourism.

The Parties shall also exchange of curriculum and methodology on research and studies on tourism.

Article-7

The Parties shall facilitate, the import and export of materials and

documents for publicity, including tourism information and publicity materials, films and exhibits, free from customs duty to the extent provided for by the internal law of the country into which the said materials are imported.

Article-8

The MOU may be amended and supplemented at any time as mutually agreed upon by the Parties. Unless the Parties agree otherwise, the termination of this MOU shall not affect the implementation of the programmes and projects that have already been undertaken during its period of validity.

Article – 9

This MOU shall enter into force on the date on which it is signed by the Parties. This MOU shall be valid for a period of five years and shall be automatically renewed for a successive periods of five years at a time, unless terminated by either Party by giving three months written notice of its intention to terminate, to the other Party through Diplomatic Channels.

IN WHEREOF the following representatives duly authorised thereto by their respective Governments have signed this MOU.

Done at New Delhi on the 23rd day of January, 2004 in two originals each in Hindi, Sinhalese and English languages, all three texts being equally authentic. In case of divergence of interpretation, the English text shall prevail.

Sd/-
On Behalf of
The Government of India
The Republic of India

Name : Mrs. Rathi Vijay Jha
Designation: Secretary of Tourism

Sd/-
On Behalf of the
Government of the
Democratic Socialist
Republic of Sri Lanka

Name : Dr. P. Ramanujam
Designation: Secretary of Tourism

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167. Memorandum of Understanding between Ministry of Small Scale Industries, Republic of India and Ministry of Industry, Democratic Socialist Republic of Sri Lanka.

New Delhi, January 27, 2004.

This Memorandum of Understanding (MOU) on cooperation between the Ministry of Industry in the Government of Democratic Socialist Republic of Sri Lanka and Ministry of Small Scale Industries in the Government of .Republic of India (hereinafter jointly referred to as the "parties" and in the singular "party"), willing to intensify support between the two countries for the promotion and development of the Small Industries Sector, have reached the following understanding:

Article-1

1. To carry out industrial potential surveys and feasibility studies to identify thrust areas and opportunities for development of small scale industries in Sri Lanka..

2. To promote partnership projects and promoting institution-to-institution and enterprise-to-enterprise cooperation in the two countries.

3. To exchange experiences to provide training and encourage research for improvement of private sector's managerial skills, exchange of experts and exchange of marketing technologies.

4. To-arrange contacts between entrepreneurs for products and projects in the small scale sector of both countries.

5. To arrange for marketing of products and projects in the small scale sector through .exhibitions, trade fairs and similar events in the two countries.

6. To exchange business missions to help initiate technology transfer and sustainable business alliances between Indian and Sri Lankan enterprises.

Article-2

A joint committee, hereinafter referred to as the "Committee" shall monitor this Memorandum of Understanding (MOU).

The Committee shall comprise of representatives from the Ministry

of Industry on the Sri Lankan side, and from the Ministry of Small Scale Industries on the Indian side.

Article-3

The Committee shall meet in ordinary session in Sri Lanka and India, alternatively, and in extraordinary session at the request of either party at any time when necessary.

The Committee shall monitor the progress of the cooperation program and shall propose measures aiming at improving relations and partnership between the two countries.

Article-4

The-parties shall regularly exchange information relating to small industries development opportunities and partnership and shall work towards their achievement.

Article-5

The parties may by mutual consent make amendments to this MOU. Any amendment shall enter into force under the same terms and conditions required for entry into force of this MOU.

Article-6

The parties shall amicably settle any dispute arising from the interpretation or implementation of the MOU through consultation and negotiations.

Article -7

This MOD shall enter into force on the date of its signing and shall remain in force for a period of 3 (three) years and thereafter it may be extended for a further period of three years with mutual consent.

In witness whereof, the following representatives duly authorized thereto by their respective Governments have signed this MOU.

Signed at New Delhi on this 27th day of January 2004, in two originals each in Hindi, Sinhalese and English languages, all texts being equally authentic.

In case of any divergence in interpretation, the English text shall prevail.

Sd/-
For and on behalf of
Ministry of Industry in the
Government of Democratic
Socialist Republic of Sri Lanka
Name; Dr. Upananda Vidanapathirana
Designation: Secretary

Sd/-
For and on behalf of
Ministry of Small Scale
Industries of the
Republic of India.
Name: Shri B.S. Minhas
Designation: Secretary (SSI)

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168. Statement by Official Spokesperson on the visit of Sri Lankan Foreign Minister Lakshman Kadirgamar to India.

New Delhi, April 29, 2004.

The Foreign Minister of Sri Lanka, Mr. Lakshman Kadirgamar visited India from 28-29 April 2004 on an official bilateral visit. During his visit, the Foreign Minister had extensive discussions with External Affairs Minister Shri Yashwant Sinha on all issues of mutual interest. The Foreign Minister of Sri Lanka also had discussions with the National Security Advisor Shri Brajesh Mishra.

2. During discussions, the Foreign Minister of Sri Lanka reiterated his Government's desire to further strengthen and deepen the already close and cordial relations between Sri Lanka and India. The Government of India attaches high priority to its relations with Sri Lanka and is committed to working towards enhancing cooperation in the multi-faceted sectors of bilateral relations.

3. Both the Ministers agreed to resume discussions soon on agreements being negotiated between the two countries in the areas of comprehensive economic partnership and defense cooperation and to strengthen cooperation in areas of energy, transport and IT sectors.

4. Both the sides reiterated their desire to work closely in international fora and to take coordinated positions on bilateral, regional and global issues

of common interest.

5. The Foreign Minister of Sri Lanka apprised the Indian side of recent developments in Sri Lanka, including on the peace process. The Government of India expressed the hope for an early resumption of the peace process and for a negotiated settlement acceptable to all sections of Sri Lankan society within the framework of a united Sri Lanka and consistent with democracy, pluralism and respect for individual rights. India believes that an enduring solution has to emerge purely through internal political processes.

* * * * *

Question: Sri Lankan Foreign Minister has said that there is a broad public opinion in Sri Lanka that India has a greater role to play in the Sri Lankan peace process. What is your comment?

Answer: I think I have just given you our views on the peace process as a part of my earlier statement. Let me reiterate that we have expressed the hope for an early resumption of the peace process and for a negotiated settlement acceptable to all sections of Sri Lankan society within the framework of a united Sri Lanka and consistent with democracy, pluralism and respect for individual rights. We have also expressed the belief that an enduring solution has to emerge purely through internal political processes.

Question: Any details on the agreements to be signed?

Answer: As I said that they have agreed to resume discussions on agreements being negotiated between the two countries. The areas are comprehensive economic partnership, defense cooperation and in the sector of fisheries.

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169. Joint press conference by External Affairs Minister K. Natwar Singh and Sri Lankan Foreign Minister Lakshman Kadirgamar.

New Delhi, May 31, 2004.

India will take forward defence cooperation with Sri Lanka and the alliance partners from Tamil Nadu in the Congress-led Government will be kept informed of "all these matters, including defence," the External Affairs Minister, Natwar Singh, said after talks with his Sri Lankan counterpart, Lakshman Kadirgamar.

Asked whether defence cooperation with Sri Lanka was possible with the DMK being part of the ruling alliance, Mr. Singh said the alliance partners would be fully informed of the discussions. "They naturally have an interest in it. They are next door. But I don't see any difficulty or problem or hurdle in this."

Mr. Singh concurred with the Sri Lankan Foreign Minister that India could play a role in the reconstruction and rehabilitation of the island nation's war-torn areas, including humanitarian work.

On whether a defence cooperation agreement under discussion would be signed by the two countries, Mr. Singh said that Mr. Kadirgamar would be meeting the Defence Minister, Pranab Mukherjee[1], apart from having a separate session between officials. "We will take this forward and fix the dates."

"We've had an hour's extensive discussion on matters of mutual interest, which have covered political, economic, security and trade (issues). These discussions were, as they should be, held in a frank and free manner. Both countries attach very high importance to their bilateral relations."

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1. On June 6, Defence Minister speaking in Chennai said that India would examine the proposal for a defence agreement put forth by Sri Lanka. He said "I did not say that a defence cooperation pact would be signed with Sri Lanka. The Sri Lankan Foreign Minister met me; he requested for certain things and these would be considered by the Government." Mr. Mukherjee added that Prime Minister Manmohan Singh had assured Mr. Kadirgamar that the proposal would be looked into. "After considering all aspects, we will take the decision", said Mr. Mukherjee. When asked if the allies of the United Progressive Alliance Government will be consulted, the Defence Minister said: "Of Course. The Government is a coalition Government."

"As you know, India is committed to the sovereignty, territorial integrity and the unity of Sri Lanka in a federal system and as the Prime Minister (Manmohan Singh) has said that we very much hope that a peaceful, negotiated solution will be found which will maintain the unity, territorial integrity and sovereignty of Sri Lanka and satisfy all sections of the people of Sri Lanka," Mr. Singh said in his opening remarks.

Mr. Kadirgamar, (who is the first Foreign Minister to visit the country since the new Government took power) stated that India-Sri Lanka relations had now reached a point of 'irreversible excellence'. Governments over the years had contributed to this, he said. He also held discussions with the new National Security Adviser, J. N. Dixit (himself a former High Commissioner to Sri Lanka).

Referring to the "multipartisan approach" to India within Sri Lanka, Mr. Kadirgamar said the two countries would concentrate on further improving economic cooperation, specially the comprehensive economic partnership under discussion.

Looking forward to a new era in bilateral relations, he categorically said that there had been no reference to the "very unfortunate question" of Rajiv Gandhi's assassination in his discussions with Mr. Singh. "Not one word" was spoken on the issue.

Mr. Kadirgamar denied that the Liberation Tigers of Tamil Eelam had placed "any condition" when its political wing leader, S.P. Thamilchelvan, said on May 26 that the Interim Self Governing Authority (ISGA) for the North-East be institutionalised before talks on core issues could proceed with Colombo.

"I don't think it's correct to say that the LTTE has laid down a condition for the resumption of talks," he said, pointing out that the Tigers, in Colombo's assessment, were keen on resuming the peace talks.

As for the agenda for the talks, discussions were going on. The LTTE's ISGA proposal, submitted to the previous United National Party Government on October 31, 2003, was "on the table". Equally, other views had been expressed.

"Those are going to be matters of discussion. There's no question of take it or leave it at all. These are all matters that are going to be discussed

between the parties when they meet. That's all I can say at the moment. We will have to wait and see when the talks resume, how these talks are going to proceed."

In response to a question, Mr. Kadirgamar said that significant body of opinion in Sri Lanka wanted India to play a suitable role in evolving the peace process and reaching a final solution.

"That body of opinion exists... it has not reached the point where I can tell you with any precision or definition what this role is going to be. It looks as though the role certainly can be a role in the field of reconstruction, rehabilitation, humanitarian work which the Indian Government has always been interested in, which all Sri Lankan Government have been interested in because we are dealing with the plight of the people of the North and the East who have been buffeted by war for 20 years," he said.

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170. Joint press release issued at the end of the visit to India of President of Sri Lanka Mrs. Chandrika Bandaranaike Kumaratunga.

New Delhi, November 7, 2004.

H.E. Mrs. Chandrika Bandaranaike Kumaratunga, President of Sri Lanka, visited India from November 3-7, 2004 at the invitation of the President of India, H.E. Dr. A.P.J. Abdul Kalam. She was accompanied by Hon'ble Lakshman Kadirgamar, Minister of Foreign Affairs; Hon'ble A.D. Susil Premajayantha, Minister of Power and Energy; and senior officials.

2. The President of Sri Lanka held wide-ranging discussions with President Dr. A.P.J. Abdul Kalam, Prime Minister Dr. Manmohan Singh, External Affairs Minister Shri K. Natwar Singh, and Defence Minister Shri Pranab Mukherjee. The discussions were detailed and substantive in consonance with the close and friendly ties that exist between the two countries.

3. Smt. Sonia Gandhi, Chairperson of the United Progressive Alliance, called on President Kumaratunga.

4. The President of Sri Lanka also met former Prime Minister Shri Atal Bihari Vajpayee.

5. The discussions reaffirmed the traditional convergence of views between the two countries on a range of international issues. Both sides remain deeply committed to opposing terrorism in all its forms and manifestations. They agreed that there could be no justification for terrorism, be it political, religious or ideological. There was also a meeting of minds on the need for urgent reform of the UN system to meet global challenges, including the expansion of the permanent membership of the Security Council. India expressed its sincere appreciation of Sri Lanka's endorsement of India's candidature for the permanent membership of the UN Security Council. They also agreed to cooperate in other forums, including the WTO.

6. Both sides expressed deep satisfaction at the dynamism and energy in bilateral economic ties since the entry into force of the India-Sri Lanka Free Trade Agreement (ISLFTA) in March 2000. Both sides expressed happiness that bilateral trade has exceeded US$ 1.5 billion in 2003-04. Consideration will be given to establish a Joint Working Group to keep under review any practical problems arising out of the implementation of the FTA. They resolved to inject impetus to the process of further economic integration of the two economies by expediting negotiations on the Comprehensive Economic Partnership Agreement (CEPA) between the two countries.

7. It was noted that India is the second highest tourism generating country in Sri Lanka and the number of Sri Lankan Airline flights into various cities in India has reached 77 per week, which is the highest number of flights to India by any airline. The relatively new destinations introduced are Bangalore, Hyderabad and Bodh Gaya.

8. The President of Sri Lanka and the Prime Minister of India agreed that the US$ 100 million credit line offered by India for the development of Rural Infrastructure projects in Sri Lanka would be used for setting up of vocational training institutes in various parts of the country ranging from the south to the north-east, rural feeder roads, water supply development schemes, community development projects, rural telephony and refurbishing of the road between Anuradhapura and Trincomalee, which is to be named the Rajiv Gandhi Amity Highway. The credit line is aimed at creating durable infrastructure and providing training and employment opportunities to people in rural areas.

9. The utilization of the credit line for US$ 150 million for the purchase of petroleum products, signed on 15th October 2004 was also discussed.

10. The two sides agreed to explore the possibilities of intensification of cooperation in the power sector.

11. The two sides decided to expedite the signing of a Memorandum of Understanding on Fisheries, presently under consideration. While agreeing to continue with the existing understandings on the humane treatment and early release of apprehended fishermen, it was decided to constitute a Joint Working Group which could meet frequently to deal with issues relating to straying fishermen, work out modalities for prevention of use of force against them and the early release of confiscated boats, and explore possibilities of working towards bilateral arrangements for licensed fishing.

12. The two sides noted that cultural exchanges is an area, which has great scope in bringing the two peoples together. There have always been an interest in each other's cultures due to the synergies and diversities, which offer many opportunities for fruitful cooperation. Both sides agreed that the Cultural Exchange Programme, which was signed in October 2003, needs to be actively implemented.

13. The Sri Lankan side proposed that a lecture titled "Rajiv Gandhi Memorial Oration" should be jointly organized annually by the Bandaranaike Centre for International Studies (BCIS) and the Rajiv Gandhi Foundation. The first lecture would be delivered by President Kumaratunga. It was also suggested that a unit be set up in the BCIS titled "Centre for India Sri Lanka Studies". The Indian side welcomed the proposals.

14. With regard to activities relating to Buddhism, the Sri Lankan side took up with the Indian side the possibilities of obtaining concessions on the entrance fees to Buddhist pilgrim sites in India and exemption of visa fees for Buddhist pilgrims. Sri Lanka expressed appreciation for the Indian assistance to repair the Mulkirigala Temple at Hambantota and Thiruketheeswaram Temple complex in Mannar.

15. It was noted with satisfaction that the Indian offer of a grant of US$ 7.5 million to build a state-of-the-art Cancer Hospital in Sri Lanka would be expedited by the visit of an Indian technical team in Sri Lanka next week.

16. During discussions on the Defence Cooperation Agreement, it was resolved that a bilateral Defence Cooperation Agreement and the MOU on

the Rehabilitation of the Airfield in Palaly would be signed between the two Governments on mutually convenient dates. The Indian side also agreed to carry out the refit of the Sri Lankan Naval Ship "Sayura" and underwrite the costs.

17. On the question of the Sethusamudram Canal Project, it was agreed that an exchange of views on the economic and environmental aspects in relation to Sri Lanka would be arranged between the technical experts of India and Sri Lanka.

18. The President of Sri Lanka apprised the Indian leadership of the current status of the peace process in Sri Lanka and the steps she has taken to advance it further. India, for its part, reiterated its support for the process of seeking a comprehensive, negotiated settlement acceptable to all communities of Sri Lanka, and reflecting the pluralistic nature of Sri Lankan society, within the framework of a united Sri Lanka and consistent with democracy and respect for individual rights. India maintains an abiding interest in the security of Sri Lanka and remains committed to its unity, sovereignty and territorial integrity. India favours the early resumption of negotiations pertaining to the peace process. Any interim arrangement on administration should be an integral part of an enduring final settlement that maintains the unity and territorial integrity of Sri Lanka and ensures the safety, well-being and prosperity of the people.

19. The discussions during the visit served to underline the excellent state of bilateral ties and the growing partnership for economic cooperation between the two countries. Both sides resolved to further strengthen their high-level interaction through sustained dialogue in order to expand their cooperation in areas of mutual benefit to their peoples.

20. The President also addressed the Hindustan Times Leadership Initiative and made a Keynote Speech on the topic "Unity and Diversity – Keeping South Asia together".

21. The President of Sri Lanka will visit Bodh Gaya.

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INDIA'S FOREIGN RELATIONS - 2004

Section - VI
Central and West Asia

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171. Joint press communiqué issued at the end of the visit of the Secretary General of the Gulf Cooperation Council to India.

New Delhi, February 16, 2004.

H.E. Mr. Abdulrahman bin Hamad Al-Attiyah, Secretary General, Gulf Cooperation Council (GCC) visited New Delhi on February 15-16, 2004 as part of his tour to India from February 15-18, 2004. During his stay in New Delhi, the Secretary General of GCC held wide-ranging discussions with Hon'ble Shri Yashwant Sinha, External Affairs Minister. GCC Secretary General also met Shri L.K. Advani, Deputy Prime Minister and Smt. Najma Heptulla, Deputy Chair-person, Rajya Sabha. The Secretary General will participate in the first India-GCC Industrial Conference in Mumbai on February 17-18.

GCC-India

2. Both sides acknowledged the traditionally close and historical ties between GCC countries and India. Both sides expressed satisfaction at the considerable progress and qualitatively new level of interaction achieved in GCC-India relations particularly in recent months. They reiterated their commitment and political will to maintain close, regular contacts for deeper understanding and diversified relations, as complementing India's excellent relations with individual GCC countries.

3. Both sides recognized the significance of the GCC-India Political Dialogue at the ministerial level (launched in New York on September 26, 2003) as marking a "new era" of GCC-India cooperation. The Secretary General's current visit to India has provided a further impetus to this nascent dialogue partnership. Both sides agreed that GCC-India dialogue would be continued at the time of the UNGA in New York.

4. Both sides whole-heartedly welcomed the organizing of the first ever GCC-India Industrial Conference in Mumbai on February 17-18. They expressed confidence that this mega event, with ministerial and business participation, would provide a renewed boost to the already substantial GCC-India trade, investment, industrial and technological cooperation. The business summit would bring together Chambers of Commerce & Industry, entrepreneurs, exporters, captains of industry and leading businessmen from GCC and India.

5. GCC and India affirmed their intention to conclude a Framework Cooperation Agreement focusing on broad-based economic cooperation. They expressed the hope that the Agreement would be finalized shortly. Both sides are exploring the possibility of GCC-India Free Trade Area (FTA), negotiations regarding which would commence at an early date.

6. India voiced appreciation for GCC's economic integration efforts, including the implementation of a Customs Union and progress towards a Common Market and Monetary Union with a single currency.

7. The Secretary General voiced GCC's appreciation for the Indian community in all the Gulf countries for their constructive role and positive contribution based on their skills, expertise, sense of discipline, integrity and law-abiding nature.

Regional and International issues

8. On the situation in the Middle East, India reiterated its strong support for the Arab and Palestinian cause, which was principled, consistent and unwavering. India affirmed that its commitment to Palestinian cause remained unchanged and undiluted. The GCC appreciated India's support, which was historic, well known and much valued by the Arabs. Both sides urged an immediate resumption of dialogue on the basis of the relevant UN Security Council resolutions, the Arab peace initiative, and the quartet 'Road Map' so as to achieve a peaceful settlement and thereby ending the current violence. Both sides consider the construction of the Israeli Security fence/ wall on the occupied Palestinian as counter-productive to the peaceful settlement. They also urged simultaneous movement in Syrian and Lebanese tracks.

9. GCC and India noted the complete convergence of their views on Iraq. They stressed the maintenance of unity and integrity of Iraq as well as the restoration of security and stability in the country. Both sides called for an immediate transfer of sovereignty to the Iraqis. In this context, they agreed that the UN should be enabled to play an important role. They also emphasized the urgency of reconstruction in Iraq under a popularly elected sovereign Government of the country.

10. The Secretary General conveyed GCC's warm welcome and strong support for the positive developments in India-Pakistan relations following Prime Minister Vajpayee's recent visit to Islamabad in January 2004. Hope

was expressed that all outstanding issues would be resolved peacefully through bilateral discussions between India and Pakistan.

11. Rejecting theories about clash of civilizations or religions, both sides strongly condemned terrorism in all its forms. Noting that terrorism is a global phenomenon, both sides called upon the international community to come together to effectively counter terrorism.

12. GCC and India affirmed their commitment to cooperate on strategic issues and acknowledged that the future international order should be determined by collective and multilateral processes rather than unilateral ones. Both sides affirmed the importance and relevance of the United Nations in this regard. The two sides also noted the important role of the NAM as the collective voice of developing countries. Both sides recognized the importance of reforms and restructuring of the UN system including the need for expansion of the UN Security Council. In this regard, GCC considers India as an influential member of the international community.

13. The Secretary General thanked the Government of India for the warm and generous hospitality accorded to him and his delegation during their visit to India.

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172. Statement by Permanent Representative and Ambassador Hardeep Singh Puri at the 60th session of the Commission of Human Rights on the "Question of the Violation of Human Rights in the Occupied Arab Territories including Palestine".

Geneva, March 24, 2004.

Please see Document No. 478 (iv)

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173. Statement by Permanent Representative at the United Nations V. K. Nambiar on the "Situation in the Middle East" at the Security Council.

New Yourk, April 19, 2004.

Please see Document No. 392.

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174. Frame-work Agreement on Economic Cooperation between the Republic of India and the Member States of the Cooperation Council for the Arab States of the Gulf.

New Delhi, August 25, 2004.

The Government of the Republic of India

and

The Governments of the United Arab Emirates, the Kingdom of Bahrain, the Kingdom of Saudi Arabia, the Sultanate of Oman, the State of Qatar and the State of Kuwait, that are parties to the Charter of the Cooperation Council for the Arab States of the Gulf, hereinafter referred to as "GCC States";

(Herein after referred to as the Contracting Parties)

Considering the importance of the friendship already existing between them, and

Desiring to enhance and develop the economic cooperation between them on the basis of equality and mutual interest, and

Taking into consideration the laws and regulations in force in their countries,

Have concluded the following:

Article-1

The Contracting Parties shall promote economic cooperation between them in various fields, and encourage the exchange of information and necessary technical expertise in those fields.

Article-2

The Contracting Parties shall consider ways and means for expanding and liberalizing their trade relations including initiating discussions on the feasibility of a Free Trade Area between them, taking into account their international obligations and principles of the WTO.

Article-3

The Contracting Parties shall seek to provide a climate, favorable for furthering trade exchange between them through:

- Enhancing the exchange of information on foreign trade
- Encouraging business communications particularly between the institutions and organizations concerned with foreign trade
- Giving attention to training and technology transfer.

Article – 4

The Contracting Parties shall make appropriate arrangements for capital flows between them, setting up joint investment projects and facilitating corporate investments in various fields of economy, trade and industry.

Article – 5

The Contracting Parties shall encourage the exchange of visits of representatives, delegations and economic, commercial and technical missions between them and organizing temporary exhibitions and provide necessary facilities and assistance with a view to further economic cooperation.

Article – 6

A Joint Committee for Economic Cooperation shall be formed under this Agreement. This Committee shall convene alternatively in the countries

of the two Parties on mutually agreed periodicity. Level of participation in the Committee will be specified in advance. Functions of the Committee shall be:

- Following up implementation of the provisions of this Agreement and other bilateral agreements or protocols made between the two Parties based on this Agreement.
- Handling any difficulties or disputes that might arise from interpretation/implementation of the provisions of this Agreement.
- Adopting recommendations for enhancing economic, commercial, technical and investment cooperation between the two contracting parties, and fostering their economic relations and increasing the volume of trade between them.
- The Joint Committee is authorized to set up any subcommittees or specialized working teams, at its discretion and when deemed necessary. The Committee shall designate the duties and functions of such subcommittees and working teams, provided that said subcommittees and working teams shall submit their reports and recommendations to the Joint Committee.

GENERAL PROVISIONS

Article – 7

Without prejudice to the provisions of the GCC Charter and those of the GCC Economic Agreement, this Agreement and any measures taken hereunder, shall in no way affect the authority of GCC Member States to individually undertake bilateral activities with the Republic of India in the fields covered by this Agreement or conclude bilateral agreements with the Republic of India.

Article-8

The provisions of this agreement may be amended with mutual consent of the Contracting Parties.

Article-9

(1) This Agreement shall come into effect on the date of the receipt of

the last notification by either Contracting Party indicating the completion of the internal legal procedures required to bring this Agreement into force.

(2) This Agreement shall remain valid unless either Contracting Party gives to the other written notice of its intention' to terminate the Agreement at least six months in advance. Any obligations or commitments undertaken pursuant to this Agreement shall, however, remain valid and binding on the Parties.

IN WITNESS WHEREOF the undersigned being duly authorized, have signed this Agreement at New Delhi, on 9 Rajab 1425H, corresponding to 25 August, 2004. in two originals each in Hindi, Arabic and English languages, all texts being equally authentic. In case of divergence of interpretation, however, the English text shall prevail.

For the Government of
The Republic of India

(Kamal Nath)
Minister of Commcerce
and Industry

For the Governments of the Member
States of the Cooperation Council for
the Arab States of the Gulf
(Mohammad Sabah Al-Salem Al-Sabah)
Foreign Minister
State of Kuwait
President-in-Office of the Ministerial
Council of the Co-operation Council
for the Arab States of the Gulf
(Abdulrahman Bin Hamad Al-Attiyah)
Secretary General of the
Co-operation Council for
the Arab States of the Gulf

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175. Address by External Affairs Minister K. Natwar Singh on "India and West Asia" at the Indian Association for Central and West Asian Studies, Jamia Milia Islamia.

New Delhi, October 6, 2004

Ambassador Bhutani, Vice Chancellor Prof. Mushirul Hasan, Friends,

I am glad to be here this evening for more than one reason. The congruence of the subject and the venue, perhaps accidental, is nevertheless meaningful since some of India's earliest academic contacts in modern times with the western part of Asia emanated from Jamia Millia. I am happy, in the context of the continuation of these academic linkages, to welcome the founding of the Indian Association for Central and West Asian Studies, as a platform for galvanizing public interest in, and study of, these two neighbouring regions of critical relevance to India. I propose, however, given limitations of time, to confine my remarks today to West Asia.

2. West Asia constitutes an integral part of India's extended neighbourhood. Organic links between the two regions can be traced back to antiquity, just as developments in West Asia today have a direct impact on the economy and society of India. The fundamentals of India's contacts with west Asia are both civilizational as well as of significant contemporary relevance.

3. Trade routes between India and West Asia, influenced in no small measure by monsoon winds, can be traced to the early years of our history - both from the Malabar coast to the mouth of the Red Sea, as well as from the more western port cities to the Persian Gulf and the Arabian peninsula. There is evidence of trade between the cities of Mohenjadaro and Harappa and Mesopotamia nearly 4000 years ago. We can also talk with historical certainty about trade in cotton cloth, spices, perfumed oils, etc. between India and the Middle East from around 200 BC. The Arabs traded more than thousand years ago with South West India for spices to carry back to Europe. They inter-married with the local population and their descendants are the distinct community of the Mopplars in South Western India.

4. India's civilizational linkages with West Asia also derive from a spiritual connection that has enriched Indian society and life. Just as India was the

birthplace of Hinduism, Buddhism, Sikhism and Jainism, West Asia was the fountainhead of Judaism, Christianity and Islam. The all embracing and accommodating ethos of our society and our benign religious tolerance made it possible for these religions to flourish. These spiritual links form a human bridge between India and West Asia, symbolized by the thousands of Indians who perform the Hajj every year, Indian pilgrims to the holy sites in Nazareth and Bethlehem and the 70,000-strong Jewish community of Indian origin that lives in Israel.

5. India and West Asia have also had a historical interface in the arts and sciences. The translation of the stories of the Panchatantra is but one example of this exchange of ideas and knowledge that also extended to mathematics, astronomy and medicine. The influence of Persian and Arabic learning in India, and the impact of the architectural styles and aesthetics of West Asia, as well as the Arabic and Persian languages can be seen and felt in contemporary Indian society. The birth of Urdu and its lyrical synthesis of all these languages and Hindi symbolizes the creative overlap between India and West Asia.

6. While people-to-people contacts continued over the centuries, in the post-colonial period close political relations gave us a common voice in shaping the global agenda. Not surprisingly, India and some West Asian countries were the leading lights of the Non-Aligned Movement. NAM pursued the high principles of equality, rejection of colonialism, independence in decision-making and action, and dialogue to resolve differences. It is, therefore, not surprising that over the years it attracted so many adherents constituting a majority of countries.

7. Let me give a classic definition of non-alignment. It was provided by no less a person than Dr. Richard Von Weizsacker, the immensely respected former President of Germany:

"Nehru was among the first and foremost to look for a non-bloc internationalism. His idea of non-alignment became of global importance. He spoke about peace clubs against Cold War clubs, nuclear clubs ……. Non-alignment was aiming at more than equidistance from blocs ……."

8. Given our long-standing political, cultural and economic ties, India is vitally interested in peace and prosperity in West Asia. There are over 3.5 million Indians working in the Gulf. They are doing good work. Their

remittances are estimated to be $ 6 billion annually and are an important source of foreign exchange. Over 60% of India's crude oil imports are sourced from the region. West Asia is now the third largest destination for Indian goods, behind the EU and North America. Exports to the region account for nearly 16% of our global exports. The collective framework of the Arab Gulf countries in the form of Gulf Cooperation Council (GCC) has immense strategic significance for India since it constitutes the "immediate" neighbourhood of India, separated from us only by the Arabian Sea. Any major upheaval in the region, such as the Iraqi attack on Kuwait in 1990, or the war in Iraq during 2003, can adversely affect India's interests.

9. The GCC offers tremendous potential for cooperation in trade, investment, energy, manpower etc. Information Technology exports to GCC stand at US $ 170 million and are poised for a significant upward growth. From the strategic point of view, India and the GCC share a need for continued political stability and security in the region, and this could involve joint efforts to meet emerging domestic and regional challenges, foremost of which is the common threat of terrorism.

10. The first annual India-GCC Political Dialogue during the Session of the UNGA on September 26 last year is a landmark development. It constituted a clear political statement by the two sides to engage pro-actively, and with focus on topical issues like Iraq, Middle East, terrorism and UN reforms. The GCC Chairman's statement that the UN Security Council should be expanded and India should be a member of the Security Council, constituted the first GCC expression and concrete outcome of the political dialogue process. We appreciate this.

11. The first-ever GCC-India Industrial Conference held in Mumbai in February this year with the participation of Ministers from all the six GCC countries is another important milestone.

12. We also have an ongoing dialogue mechanism with the Arab League. The 3rd round of bilateral discussions at Cairo in June 2004 focused on regional issues like Palestine. It also discussed the possibility of further enhancing cooperation between India and Arab League Members.

13. Ladies and Gentlemen, I will now address myself with regard to two countries in West Asia – Palestine and Iraq. I believe it is important to do so. Both the Palestinians and the Iraqi people are enduring inordinate suffering and the international community has a moral duty to demonstrate

solidarity with them.

14. First, Palestine. It is worthwhile to recall that India's solidarity with the Palestinian people and its attitude to the Palestinian question was given voice during our freedom struggle by Mahatma Gandhi. Gandhiji wrote in an essay on Palestine in 1938 : "My sympathies are all with the Jews……., but my sympathy does not blind me to the requirements of justice…….. Palestine belongs to the Arabs in the sense that England belongs to the English or France to the French……." In the early years of independent India, this policy towards Palestine was consolidated under that leadership of Prime Minister Pandit Jawahar Lal Nehru. India's empathy with the Palestinian cause and its friendship with the people of Palestine has since then been an integral part of our time-tested foreign policy.

15. In 1947, India voted against the partition of Palestine at the UN General Assembly. In 1975, India was the first non-Arab state to recognize the PLO as the sole and legitimate representative of the Palestinian people. In 1980, the Office of the PLO in New Delhi was accorded full diplomatic recognition by the Government. In 1988, India was one of the first countries to recognize the State of Palestine.

16. Our Government has, since it assumed office, clearly stated that it remains fully supportive of the legitimate aspirations of the Palestinian people and committed to their cause for a homeland of their own. The vicious cycle of violence on both sides and counter-violence, especially since the beginning of the Intifadah al-Aqsa in September 2000 which has led to the death of more than 3,683 Palestinians and 966 Israelis as of mid-Sept. 2004; is a source of grave concern. We believe that the conflict is essentially political in nature and cannot be resolved by force. A just, comprehensive and durable peace in the region can only be achieved through negotiations on the basis of relevant UN Security Council resolutions as well as the "Land for Peace" principle leading to two states, Palestine and Israel, living side by side within secure and recognized borders.

17. In this context, we have supported the Quartet Road Map. We are of the view that the Prime Minister Sharon's intention to withdraw from the Gaza Strip and from some settlements in the West Bank should be within the framework of the Quartet Road Map. The withdrawal should not preclude a resolution of final status issues through negotiations between all parties concerned.

18. We regard President Yasir Arafat as the elected leader of his people and a symbol of their legitimate cause. We have advised our Israeli friends about our belief that the isolation and confinement of President Arafat in his Ramallah headquarters would engender popular frustration and encourage extremists on the Palestinian side.

19. A few words about Israel. Since 1992, when diplomatic relations were established, the bilateral relationship has progressed rapidly and now covers a broad spectrum. Our relations with Israel have developed on the basis of mutually beneficial cooperation and are important. This, however, in no way dilutes our principled support for the legitimate aspirations of the Palestinian people. India's relations with Israel are purely bilateral in nature and are not directed against any third country. We take special care to ensure that our relations with Israel do not have a negative impact on relations with Arab countries. We are clear that we will continue to join all efforts of the international community to redress the historical injustices which have been imposed on the Palestinian people.

20. It may be recalled that India established diplomatic relations with Israel following the Madrid Conference of October 1991 and after a number of other countries from the Non Aligned Movement had done so. Our decision to establish diplomatic relations with Israel was taken in consultation with the Palestinian leadership. It was then the expectation that relations between Israel and Palestine would be normalized after the Madrid Conference. Unfortunately, this normalization did not take place as a result of the assassination of Israeli PM Yitzak Rabin and other negative developments.

21. On Iraq, I will only address myself to contemporary issues. Our policy towards developments in Iraq is based on principles and our national interest. We want the Iraqi people to freely determine their political future and exercise control over their natural resources. It is our belief that the UN has a crucial role to play in the process of political and economic reconstruction of Iraq. It is in this spirit, that we welcomed the unanimous adoption by the Security Council, on 8th June 2004, of Resolution 1546. We see UN endorsement of the Interim Government of Iraq as the first step towards the transparent transfer of full sovereignty to the people of Iraq. The priority now should be to ensure an early return to conditions of security and normalcy for all the people of Iraq. A stable and peaceful Iraq is vital for the larger stability of the region, which is home for about 3.5 million Indians, the source of our energy requirements and an important destination for our goods and services.

22. India will not send Indian troops to Iraq. The question does not arise in the light of the unanimous resolution passed by the two Houses of Parliament on 8th April 2003.

23. We are ready to respond to the needs of the Iraqi people for stability, security, political progress and economic reconstruction. I had written to the Iraqi Foreign Minister in June this year reiterating our commitment to assist Iraq in their political and economic reconstruction. Various steps to contribute to the needs of the Iraqi people have already been initiated. We have committed US $20 million in assistance to the Iraqi people in response to the UN Secretary General's flash appeal last year. At the Donors' Conference held in Madrid in October last, we committed an additional amount of US$10 million to the two Iraqi Trust Funds. We are also distributing milk powder worth US $ 1.2 million to Iraqi children through the World Food Programme. We will also participate in the Tokyo Conference of Donor Countries scheduled to be held later this month.

24. May I in conclusion, say that the challenge today is to further revitalize and rejuvenate our relations with the countries of West Asia, on the basis of the requirements of today and tomorrow. We, and our West Asian friends, have to think together how this can be done. We have a shared interest in peace, in stability, in regional security, in mutual prosperity, in the enhancement of a mutually beneficial economic relations, in the imperatives of development, in the regeneration of the ties of culture that bind us, in the reform of the U.N. Security Council, in the creation of a world of tomorrow based on justice and equity. This is a comprehensive agenda, which needs to be addressed.

25. The existing state of academic interest in West Asia does less than full justice to the depth and diversity of India's relationship with that region. Your Association, therefore, has an important task before it: to renew the quest for knowledge of these lands that mean so much to us in material, cultural, and intellectual terms. Our knowledge base for West Asia, as for Central Asia, needs to be commensurate with the interests of India, and the potential of India in the coming decades. Such a base has to be systematically developed. I am happy with the initiative, which has been taken, and wish the Association success in its endeavours.

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176. Explanation Vote after Vote by Member of the Indian Delegation to the UN Ravi Prakash Verma MP on Agenda Item: 68: L. 37 The Risk of Non-proliferation in the Middle East.

New York, October 27, 2004.

Please see Document No. 435.

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177. Statement by Permanent Representative at the United Nations Nirupam Sen on Agenda Item 37: Question of Palestine; Agenda Item 36: the Situation in the Middle East at the General Assembly.

New York, November 30, 2004.

Please see Document No. 450.

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AFGHANISTAN

178. Statement by Permanent Representative at the United Nations V. K. Nambiar on the Situation in Afghanistan at the Security Council.

New York, April 6, 2004.

Please see Document No. 391.

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179. Media briefing by Official Spokesperson conveying India's assurance to Afghanistan on her continued support in that country's reconstruction programme.

New Delhi, May 30, 2004.

Dr. Zalmai Rasoul NSA to President Karzai of Afghanistan came to Delhi today. He met NSA Shri JN Dixit and called on EAM Shri Natwar Singh. He conveyed that President Karzai had instructed that contact with the new Government in India must be established at the earliest as a reflection of the importance that the Government of Afghanistan attaches to its relations with India and also of the significantly deepened relations over the past few years. Both EAM and NSA conveyed that given the deep historical and cultural relations between the two countries the relations between the people of the two countries were clearly fraternal and were not affected by changes in Government. There was complete support at all levels in India for strengthening relations with Afghanistan. The reconstruction assistance being provided would be further intensified. They also exchanged views on developments in Afghanistan and in the region, and also agreed to continue cooperation to deal with the menace of terrorism and drug trafficking.

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180. Statement by Official Spokesperson on the visit of Afghanistan Foreign Minister to India.

New Delhi, September 1, 2004.

Dr. Abdullah Abdullah, Afghan Foreign Minister, who is on an official visit to India, held official-level talks with External Affairs Minister today. The meeting was followed by the signing of a Memorandum of Understanding on Mutual Cooperation between the Foreign Service Institute of the Ministry of External Affairs and the Institute of Diplomacy of the Foreign Affairs Ministry of Afghanistan. It was signed by External Affairs Minister Shri K. Natwar Singh from the Indian side and Dr. Abdullah Abdullah, from the Afghan side.

Under the MOU, the Foreign Service Institute of the Ministry of External Affairs and the Institute of Diplomacy of the Afghan Foreign Ministry will cooperate in training and building expertise of the diplomatic cadre of Afghanistan. The MOU provides, among others, for participation by diplomatic officials in each other's training programmes conducted by the respective institutions.

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181. Memorandum of Understanding on Mutual Cooperation Between the Foreign Service Institute of the Ministry of External Affairs of the Republic of India and the Institute of Diplomacy of the Foreign Affairs Ministry of the Transitional Islamic State of Afghanistan.

New Delhi, September 1, 2004.

The Foreign Service Institute of the Ministry of External Affairs of the Republic of India and the Institute of Diplomacy of the Foreign Affairs Ministry of the Transitional Islamic State of Afghanistan

in the Sprit of cooperation that has traditionally existed between the two countries and

desiring to promote greater cooperation between the two institutions

have reached the following understanding:

Article 1

The two institutions decide to cooperate in the areas which, inter-alia, include:

- Diplomacy and international relations;
- Research and development;
- Assistance in locating specialists in areas needed by either of the two institutions;
- Exchange of faculty and students;
- Conduct of joint research and seminars and the holding of conferences in mutually agreed areas in the spirit of this agreement

Article 2

The two Institutions will provide for the participation by diplomatic officials in each other's training programmes. The Foreign Service Institute of Ministry of External Affairs of the Republic of India will assist the Institute of Diplomacy of the Foreign Affairs Ministry of the Transitional Islamic State of Afghanistan in training and in building expertise of the diplomatic cadre of Afghanistan, as mutually agreed.

Article 3

The two institutions will establish an active information exchange programme related to the curricula of studies, courses, seminars and other academic activity of common interest.

Article 4

The two institutions will encourage the exchange of students, professors, conference speakers, experts and research scholars for their participation in seminars and other courses.

Article 5

In accordance with the requests of the Ministry of Foreign Affairs of Afghanistan, the Foreign Service Institute of India will facilitate, to the extent possible, the acceptance of the diplomats of the Ministry of Foreign Affairs of Afghanistan for MSc, PhD degrees, including through distant education, for a period of 4 years to prepare a thesis in a given topic and to defend the thesis in the Scientific Council of the Institute.

Article 6

The two institutions will encourage the exchange of publications on specialized subjects and also of other public and private institutions of their respective countries.

Article 7

The two institutions will encourage common research on the subjects of mutual interest.

Article 8

The two institutions will decide the specifics and logistics of every project they may jointly pursue including specific provisions for financial terms if necessary.

Article 9

This Memorandum of Understanding on Cooperation shall enter into force on signature and shall remain in force for a period of three years, automatically renewable for similar three-year periods at a time, unless

terminated by any one party by giving a written notice of 90 days to the other party prior to the date of termination.

Done at New Delhi on this 1st day of September 2004 in two originals each in Hindi, Dari and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

On behalf of the Republic Of India	On behalf of the Transitional Islamic State of Afghanistan
Sd/- **(K. Natwar Singh)** External Affairs Minister	Sd/- **(Dr. Abdullah Abdullah)** Minister of Foreign Affairs

✦ ✦ ✦ ✦ ✦

182. Statement by Official Spokesperson on Presidential Elections in Afghanistan.

New Delhi, October 13, 2004.

"We welcome the Presidential elections that were held on October 9 in Afghanistan. They are a historic milestone in Afghanistan's journey towards peace, stability and prosperity.

The people of Afghanistan defied the threat of terrorism and came out in strength to exercise their right to vote. They demonstrated through this process their support for the establishment and consolidation of democracy and conclusively rejected the ideology as well as the sponsors of obscurantism, hate and violence.

We look forward to working closely with Afghanistan to further strengthen the traditional ties of friendship and cooperation between the two countries."

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183. Message of felicitations from President A.P.J. Abdul Kalam to Afghan President Hamid Karzai on his formal election as President of Afghanistan.

New Delhi, November 5, 2004.

The President of India, Dr. A.P.J. Abdul Kalam has congratulated Mr. Hamid Karzai on his election as the President of Afghanistan.

In his message, Dr. Kalam has said, "I am delighted to extend my sincere congratulations on your Excellency's election as the President of Afghanistan. I am confident that under your leadership Afghanistan will regain its rightful place as a strong and independent nation.

The elections were indeed a historic milestone in Afghanistan's journey towards establishment and consolidation of democracy. It was the harbinger of Afghan people's quest for peace, stability and prosperity.

India and Afghanistan have long history of friendship and cultural affinity, which we value greatly. We trust that under your continued guidance, our relations would further expand and intensify".

✦ ✦ ✦ ✦ ✦

184. Press release issued by the Prime Minister's Office containing his message of greetings to Afghan President Hamid Karzai on the occasion of his inauguration.

New Delhi, December 8, 2004.

"It is a matter of great pleasure from me to extend on behalf of the Government and the people of India, my warm felicitations on your assumption of the office of President of the Islamic Republic of Afghanistan.

It is a privilege for India to have been associated with the process of elections and to be present at Your Excellency's Inauguration. I have requested my colleague, the Minister in my Office, Mr. Prithviraj Chavan[1], to represent my Government on this historic occasion.

We look forward to continuing to work closely with you to further strengthen the traditional ties between our countries. I take this opportunity to reiterate our firm commitment to continue with and build further upon our economic and financial assistance for the reconstruction effort in Afghanistan[2].

Please accept, Excellency, my best wishes for your personal well-being and health, and for the prosperity and progress of the friendly people of Afghanistan.

✦ ✦ ✦ ✦ ✦

1. The message was personally handed over by Mr. Chavan to President Karzai.
2. It may be recalled that when the Russian President V. Putin visited India earlier in the month, the Joint Declaration issued on December 3 welcomed the successful conclusion of Presidential elections in Afghanistan and extended support to the reconstruction process in that country. The relevant paragraphs pf the Declaration read:
"The Sides welcome the successful conclusion of the Presidential elections in Afghanistan and underline the importance of efforts at national reconciliation and unity. The Sides also look forward to conduct of the parliamentary elections as scheduled in April- May 2005. They express support for a strong, united, sovereign and independent Afghanistan and underline the importance of empowering the Central Authority with indigenous security institutions. The Sides reiterate their support for the reconstruction process in Afghanistan."
On December 6, the Official Spokesperson Navtej Sarna in response to questions from journalists had said:
"As you are aware, India has already welcomed the successful electoral process through which President Karzai was elected with a significant majority. We fully support his leadership. We are engaged in a number of economic reconstruction projects totaling over $ 400 million in support of Afghanistan's political stability and economic prosperity. India has always supported policies aimed at ensuring inter – ethnic harmony and achieving national consensus. These are the basic elements of our relationship with Afghanistan and were most recently emphasized in our discussions with the Russian Federation."

185. Statment by Permanent Representative at the United Nations Nirupam Sen on Agenda Item 27: "The Situation in Afghanistan and its Implications for International Peace and Security" and Agenda Item 39 (d) : "Emergency International Assistance for Peace, Normalcy and Reconstruction of war-stricken Afghanistan" at the General Assembly.

New York, December 8, 2004.

Pelase see Document No. 451.

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BAHRAIN

186. Speech by Prime Minister Atal Behari Vajpayee at the banquet hosted in honour of Prime Minister of Bahrain.

New Delhi, January 13,004.

Your Highness,

Prime Minister of Bahrain,

It is a pleasure to receive you on your first State Visit to India. I am confident that your visit will be a milestone in raising our age-old friendship to a qualitatively new level.

Your Highness,

The relationship between India and Bahrain spans the millennia. Bahrain played a key role in the interaction between the Indus Valley and Sumerian Civilizations.

In today's world, our friendship is based on common values and principles, including pluralism and tolerance. We have a long history of cooperation in the Non-Aligned Movement and in the United Nations. We have watched with admiration as your Kingdom recently conducted landmark elections leading to a new Parliament. Bahrain's entry into the Community of Democracies was a timely recognition of the enormous strides made under your wise leadership.

It is important that India and Bahrain now proceed to build on our strong foundation of mutual goodwill to substantially increase our trade and economic interaction. During our talks earlier today, we have discussed ways of moving towards this goal, including high-profile projects in both our countries. We look forward to a greater Indian corporate presence in Bahrain. I am sure that the efforts of our governments and entrepreneurs will pave the way for the building of a vibrant economic partnership between India and Bahrain.

Your Highness,

India's links with the Arab world have a long history. We are encouraged by the initial steps to establish an institutional relationship

between India and the Gulf Cooperation Council, of which Bahrain is an important member. I hope the first GCC-India Industrial Conference in Mumbai next month will encourage a greater thrust for India's economic cooperation with the Gulf region. Our Governments can play an enabling role in promoting business; the entrepreneurs have to seize the available opportunities.

Your Highness,

I am confident that our discussions today, our new Agreements, and the interaction of our businessmen will strengthen our partnership. I hope that your stay in India has been pleasant and rewarding, and that it has given you a better understanding of ongoing developments and emerging opportunities in India.

I wish Your Highness good health and happiness. We wish the friendly Bahraini people further progress and prosperity.

✦ ✦ ✦ ✦ ✦

187. Memorandum of Understanding between the Ministry of External Affair of the Republic of India and the Ministry of Foreign Affairs of the Kingdom of Bahrain.

New Delhi, January 13, 2004.

The Ministry of External Affairs of the Republic of India and the Ministry of Foreign Affairs of the Kingdom of Bahrain (hereinafter referred to as 'the Participants')

Desirous of strengthening the friendly relations and cooperation between the Republic of India and the Kingdom of Bahrain on the basis of the principles and provisions of the Charter of the United Nations,

Recognising the importance of consultations and exchange of opinions at different levels on matters of bilateral relations and international issues of mutual interest,

Desirous of establishing and further facilitating mutually beneficial cooperation,

Have reached the following understandings:

1. (a) The Participants will hold meetings, talks and consultations on a regular basis on matters of bilateral cooperation, as well as issues of mutual interest.

(b) The meetings may be held between Ministers, their deputies, Undersecretaries, heads of departments or at any other level agreed by the participants, and may include experts from both sides.

(c) The agenda, date, venue and level of meetings will be established by mutual agreement and will be held alternately in New Delhi and Manama.

(d) Commissions, working groups and groups of experts may also be established, the composition and procedures of which will be mutually agreed.

2. The Participants, will cooperate and hold consultations aimed at coordinating their positions on various issues of mutual interest, to the extent possible, wherever necessary, within the framework of international and regional organisations and forums.

3. The Participants will encourage cooperation and direct contacts between representatives of their diplomatic services. They will facilitate the organization and appropriate execution of joint activities and programmes, as may be mutually agreed upon, through diplomatic channels.

4. The Participants will facilitate cooperation and consultations between diplomatic and consular missions of the Republic of India and the Kingdom of Bahrain in third countries.

5. This Memorandum will come into effect on the date of signing, will remain valid for a period of five years, and will renewed automatically for successive five year periods unless either Participants notifies the other in writing of an intention to terminate the Memorandum at least six months prior to the date of expiry.

Signed at New Delhi on this 13 Day of January 2004, in two originals

in the Hindi, Arabic and English languages, each text being equally authentic. In case of any divergence, the English text will prevail.

Sd/-
For the Ministry of
External Affairs of
The Republic of India

For the Ministry of
Foreign Affairs of
The Kingdom of Bahrain

✦ ✦ ✦ ✦ ✦

188. Agreement between the Government of the Republic of India and the Government of the Kingdom of Bahrain for the Promotion and Protection of Investments.

New Delhi, January 13, 2004.

The Government of the Republic of India and the Government of the Kingdom of Bahrain (each hereinafter referred to as the "Contracting Party" and together as the "Contracting Parties");

Desiring to create conditions favourable for fostering greater investment by investors of one Contracting Party in the territory of the other Contracting Party;

Recognising that the encouragement and reciprocal protection under international agreement of such investment will be conducive to the stimulation of individual business initiative and will increase prosperity in the Contracting Parties;

Have agreed as follows:

Article 1
Definitions

For the purposes of this Agreement;

(a) "Investor" means :

(i) natural persons deriving their status as nationals of either Contracting Party according to its applicable law.

(ii) corporations, firms or business associations incorporated or constituted or established under the law in force in either of the Contracting Parties.

(b) "investment" means every kind of asset established or acquired including changes in the from of such investment, in accordance with the national laws of the Contracting Party in whose territory the investment is made and in particular, though not exclusively, includes:

(i) movable .and immovable property as well as other rights such as mortgages, liens or pledges;

(ii) shares in and stock and debentures of a company and any other similar forms of participation in a company;

(iii) claims to money or to any performance under contract having a financial value;

(iv) intellectual property rights, in accordance with the relevant laws of the respective Contracting Party;

(v) business concessions conferred by law or under contract, including concessions to search for and extract or exploit natural resources;

(c) "returns" means the monetary amounts yielded by an investment such as profit, interest, capital gains, dividends, royalties and fees;

(d) "territory" means:

(i) in respect of India: the territory of the Republic of India including its territorial waters and the airspace above it and other maritime zones including the Exclusive Economic Zone and continental shelf over which the Republic of India has sovereignty, sovereign rights or exclusive jurisdiction in accordance with its laws in force, the 1982 United Nations Convention on the Law of the Sea and International Law.

(ii) in respect of Bahrain: the territory under the sovereignty of Bahrain including the territorial sea, the Continental Shelf and any exclusive economic zone over which Bahrain exercises sovereign rights and jurisdiction in accordance with International Law.

Article 2
Scope of the Agreement

This Agreement shall apply to all investments made by investors of either Contracting Party in the territory of the other Contracting Party, accepted as such in accordance with its laws and regulations, whether made before or after the coming into force of this Agreement.

Article 3
Promotion and Protection of Investment

1. Each Contracting Party shall encourage and create favourable conditions for investors of the other Contracting Party to make investments in its territory, and admit such investments in accordance with its laws and policy.

2. Investments and returns of investors of each Contracting Party shall at all times be accorded fair and equitable treatment in the territory of the other Contracting Party.

Article 4
National Treatment and Most-Favoured-Nation Treatment

1. Neither Contracting Party shall in its territory subject investments or returns of investors of the other Contracting Party to treatment less favourable than that which it accords to investments or returns of its own investors or to investments or returns of investors of any third State.

2. Neither Contracting Party shall in its territory subject investors of the other Contracting Party, as regards their management, maintenance, use, enjoyment or disposal of their investments, to a treatment less favourable than that which it accords to investors of any third State.

3. The provisions of paragraphs (l) and (2) above shall not be construed so as to oblige one Contracting Party to extend to the investors of the other the benefit of any treatment, preference or privilege resulting from:

a. any existing or future customs union, free trade area or regional - cooperation organisation or similar international agreement to which either of the Contracting Parties is or may become a party, or

b any international agreement or arrangement, or any domestic legislation, relating wholly or mainly to taxation.

Article 5
Expropriation

1. Investments of investors of either Contracting Party shall not be nationalised, expropriated or subjected to measures having effect equivalent to nationalisation or expropriation (hereinafter referred, to as "expropriation") in the territory of the other Contracting Party except for a public purpose in accordance with law on a non-discriminatory basis and against fair and equitable compensation. Such compensation shall amount to the genuine value of the investment expropriated immediately before the expropriation or before the impending expropriation became public knowledge, whichever is the earlier, shall include interest at a fair and equitable rate until date of payment, shall be made without unreasonable delay, be effectively realizable and be freely transferable.

2. The investor affected shall have right, under the law of the Contracting Party making the expropriation, to review, by a judicial or other independent authority of that Contracting Party, of his or its case and of the valuation of his or its investment in accordance with the principles set out in this paragraph. The Contracting Party making the expropriation shall make every endeavour to ensure that such review is carried out promptly.

3. Where a Contracting Party expropriates the assets of a company which is incorporated or constituted under the law in force in any part of its own territory, and in which investors of the other Contracting Party own shares, it shall ensure that the provisions of paragraph (1) of this Article are applied to the extent necessary to ensure fair and equitable compensation in respect of their investment to such investors of the other Contracting Party who are owners of those shares.

Article 6
Compensation for Losses

Investors of one Contracting Party whose investments in the territory of the other Contracting Party suffer losses owing to war or other armed conflict, a state of national emergency or civil disturbances in the territory of the latter Contracting Party shall be accorded by the latter Contracting Party treatment, as regards restitution, indemnification, compensation or other settlement, no less favourable than that which the latter Contracting Party accords to its own investors or to investors of any third State. Resulting payments shall be freely transferable.

Article 7
Repatriation of Investment and Returns

1 Each Contracting Party shall permit all funds of an investor of the other Contracting Party related to an investment in its territory to be freely transferred, without unreasonable delay and on a non-discriminatory basis. Such funds may include:

(a) Capital and additional capital amounts used to maintain and increase investments;

(b) Net operating profits including dividends and interest in proportion to their share-holdings;

(c) Repayments of any loan including interest thereon, relating to the investment;

(d) Payment of royalties and services fees relating-to the investment;

(e) Proceeds from sales of their shares;

(f) Proceeds received by investors in case of sale or partial sale or liquidation;

(g) The earnings of citizens/nationals of one Contracting Party who work in connection with investment in the territory of the other Contracting Party

(2) Nothing in paragraph (1) of this Article shall affect the transfer of any compensation under Article 6 of this Agreement.

(3) Unless otherwise agreed to between the parties, currency transfer under paragraph (1) of this Article shall be permitted in the currency of the original Investment or any other convertible currency. Such transfer shall be made at the prevailing market rate of exchange on the date of transfer.

Article 8
Subrogation

Where one Contracting Party or its designated agency has guaranteed any indemnity against non-commercial risks in respect of an investment by any of its investors in the territory of the other Contracting Party, and has made payment to such investors in respect of their claims under this Agreement, the other Contracting Party agrees that the first

Contracting Party or its designated agency is entitled by virtue of subrogation to exercise the rights and assert the claims of those investors. The subrogated rights or claims shall not exceed the original rights or claim of such investors.

Article 9
Settlement of Disputes between an Investor and a Contracting Party

1. Any dispute between an investor of one Contracting Party and the other Contracting Party in relation to an investment of the former under this Agreement shall, as far as possible, be settled amicably through negotiations between the parties to the dispute.

2. Any such dispute which has not been amicably settled within a period of six months may, if both Parties agree, be submitted:

a. for resolution, in accordance with the law of the Contracting Party which has admitted the investment to that Contracting Party's competent judicial, arbitral or administrative bodies; or

b. to international conciliation under the Conciliation Rules of the United Nations Commission on International Trade Law.

3. Should the Parties fail to agree on a dispute settlement procedure provided under paragraph (2) of this Article or where a dispute is referred to-conciliation but conciliation proceedings are terminated other than by signing of a settlement agreement the dispute may be referred to Arbitration. The Arbitration procedure shall be as follows:

(a) If the Contracting Party of the Investor and the other Contracting Party are both parties to the convention on the Settlement of Investment Disputes between States and nationals of other States, 1965 and the investor consents in writing to submit the dispute to the International Centre for the Settlement of Investment Disputes such a dispute shall be referred to the Centre; or

(b) If both parties to the dispute so agree, under the Additional Facility for the Administration of Conciliation, Arbitration and Fact-Finding proceedings; or.

(c) to an ad hoc arbitral tribunal by either party to the dispute in accordance with the Arbitration Rules of the United Nations Commission on International Trade Law, 1976, subject to the following modifications:

(i) The appointing authority under Article 7 of the Rules shall be the President, the Vice-President or the next senior Judge of the International Court of Justice, who is not a national of either Contracting Party. The third arbitrator shall not be a national of either Contracting party.

(ii) The parties shall appoint their respective arbitrators within two months.

(iii) The arbitral award shall be made in accordance with the provisions of this Agreement and shall be binding for the parties in dispute.

(iv) The arbitral tribunal shall state me basis to its decision and give reasons upon the request of either party.

Article 10
Disputes Between the Contracting Parties

1. Disputes between the Contracting Parties concerning the interpretation or application of this Agreement should, as far as possible, be settled through negotiation.

2. If a dispute between the Contracting Parties cannot thus be settled within six months from the time the dispute arose, it shall upon the request of either Contracting Party be submitted to an arbitral tribunal.

3. Such an arbitral tribunal shall be constituted for each individual case in the following way.

Within two months of the receipt of the request for arbitration, each Contracting Party shall appoint one member of the tribunal. Those two members shall then select a national of a third State who on approval by the two Contracting Parties shall be appointed Chairman of the tribunal. The Chairman shall be appointed within two months from the date of appointment of the other two members.

4. If within the periods specified in paragraph (3) of this Article the necessary appointments have not been made, either Contracting Party may, in the absence of any other agreement, invite the President of the International Court of Justice to make any necessary appointments. If the President is a national of either Contracting Party or if he or she is otherwise prevented from discharging the said function, the Vice President shall be invited to make the necessary appointments. If the Vice President is a national of either Contracting Party or if he she too is prevented from discharging the said function, the Member of the International Court of

Justice next in seniority who is not a national of either Contracting Party shall be invited to make the necessary appointments.

5. The arbitral tribunal shall reach its decision by a majority of votes. Such decisions shall be binding on both Contracting Parties. Each Contracting Party shall bear the cost of its own member of the tribunal and of its representation in the arbitral proceedings; the cost of the Chairman and the remaining costs shall be borne in equal parts by the Contracting Parties. The tribunal may, however, in its decision direct that a higher proportion of costs shall be borne by one of the two Contracting. Parties, and this award shall be binding on ,both Contracting Parties. The tribunal shall, determine its own procedures.

Article 11
Entry and Sojourn of Personnel

A Contracting Party shall,, subject to its laws applicable from time to time relating to the entry and sojourn of non-citizens, permit natural persons of the other Contracting Party and personnel employed by companies of the other Contracting Party to enter and remain in its territory for the purpose of engaging in activities connected with investments.

Article 12
Applicable Laws

1. Except as otherwise provided in this Agreement, all investment shall be governed by the laws in force in the territory of the Contracting Party in which such investments are made.

2. Notwithstanding paragraph (1) of this Article nothing in this Agreement precludes the host Contracting Party from taking action for the protection of its essential security .interests or in circumstances of extreme emergency in accordance with its laws normally and reasonably applied on a nondiscriminatory basis.

Article 13
Application of other Rules

If the provisions of law of either Contracting Party or obligations under international law existing at present or established hereafter between the Contracting Parties in addition to the present Agreement contain rules, whether general or specific, entitling investments by investors of the other

Contracting Party to a treatment. more favourable than is provided for by the present Agreement, such rules shall to the extent that they are more favourable prevail over the present Agreement.

Article 14
Entry into Force

The Contracting Parties shall notify each other when the constitutional requirements for the entry into force of this Agreement have been fulfilled. The Agreement shall enter into force thirty days after the date of receipt of the last notification.

Article 15
Duration and Termination

1. This agreement shall remain in force for a period of ten years and thereafter it shall be deemed to have been automatically extended unless either Contracting Party gives to the other Contracting Party a written notice of its intention to terminate the Agreement. The Agreement shall stand terminated one year from the date on receipt of such written notice.

2. Notwithstanding termination of this Agreement pursuant to paragraph (1) of this Article, the Agreement, shall continue to be effective for a further period of fifteen years from the date of its termination in respect of investments made or acquired before the date of termination of this Agreement.

IN WITNESS WHEREOF the undersigned, duly authorised thereto by their respective Governments, have signed this Agreement.

Done at New Delhi on this 13 day of January, 2004 in two originals each in the Hindi, Arabic and English languages, all three texts being authoritative.

In case of any divergence of interpretation, the English text shall prevail.

Sd/-
For the Government of
The Republic of India

Sd/-
For the Government of
the Kingdom of Bahrain

✦ ✦ ✦ ✦ ✦

189. Agreement between the Republic of India and the Kingdom of Bahrain on Mutual Legal Assistance in Criminal Matters.

New Delhi, January 13, 2004.

The Government of the Republic of India and the Government of the Kingdom of Bahrain, hereinafter referred to as "the Contracting States";

Desirous to strength traditional friendly relations between their respective countries;

Recognising the need for mutual assistance in the service of summons, execution of warrants and other judicial documents and commissions;

Desirous to improve the mutual cooperation between both countries in the investigation, prosecution and suppression of crime, including crime related to terrorism and tracing, restraint, forfeiture of confiscation of the proceeds and instruments of crime, through cooperation and mutual legal assistance in criminal matters;

HAVE AGREED as follows:

Article 1
Scope of Application

1. The Contracting States shall grant each other the widest measure of mutual legal assistance in criminal matters in accordance with the terms of this agreement.

2. For the purpose of this Agreement mutual legal assistance shall be granted irrespective of whether the assistance is sought or to be provided by a Court or some other authority.

3. This Agreement shall be without prejudice to other obligations between the States pursuant to other treaties or arrangements, and shall not prevent the States or their law enforcement agencies from providing assistance to each other pursuant to other treaties or arrangements.

4. The measure taken by a Requested States pursuant to a request for a mutual assistance in accordance with this agreement shall have the same

legal effect as that which would have been taken by the competent authority of the Requesting State.

5. This Agreement shall apply to any requests for mutual legal assistance relating to acts or omissions committed before or after its entry into force.

Article 2
Definitions

1. For the purpose of this Agreement, unless the context requires otherwise, the following words and expressions shall have their corresponding meaning:

a) "criminal matters" means taking of evidence, searches, investigations, inquiries and other proceedings relating to an offence punishable by the laws of both Contracting States, including proceedings related to offences concerning taxation, duties, customs and international transfer of capital or payments and money laundering.

b) "property" includes money and all kinds of movable or immovable, tangible or intangible property, and includes any interest in such property;

c) "proceeds of crime" means any property that is derived or realised directly or indirectly by any person from an offence or the value of any such property;

d) "confiscation" means any measure resulting in the deprivation of property;

e) "instruments of crime" means any property which is or is intended to be used in connection with the commission of an offence; and

f) "the restraint of property" means any measure for the prevention of dealing in or transfer or disposal of property temporarily.

2. Assistance shall include:

(i) measures to locate, restrain, forfeit or confiscate the proceeds and instruments of crime;

(ii) taking of evidence and obtaining of statements of persons;

(iii) providing of information, documents and other records,

including criminal and judicial records;

(iv) location of objects and persons connected with the offence including their identification;

(v) search and seizure;

(vi) delivery of property, including lending of seized objects ;

(vii) making detained persons and others available to give evidence or assist investigations;

(viii) service of documents, including documents seeking the attendance of persons;

(ix) Judicial commissions; and

(x) other assistance consistent with the objects of this agreement.

Article 3
Central Authorities

1. Requests for assistance under this Agreement shall be made through the Central Authorities of the Contracting States.

2. In the Republic of India, the Central Authority; is the Ministry of Home Affairs. In the Kingdom of Bahrain, the Central Authority is the Ministry of Justice.

Article 4
Contents of Requests

1. Requests for assistance under this Agreement shall be made in writing. However, in urgent circumstances, or where otherwise permitted by the Requested State, requests may be made orally but shall be confirmed in writing thereafter.

2. Requests for assistance shall be effected in accordance with the procedures provided for in the laws of the Requested State. The request shall be signed by a competent official under the seal of the Requesting State without a need for authentication.

3. Requests for assistance shall include a statement of:

(a) the name of the competent authority conducting the investigation or proceedings to which the request relates;

(b) the matters, including the relevant facts and laws, to which the investigation or proceedings relates;

(c) the purpose for which the request is made and the nature of the assistance sought;'

(d) details of any particular procedure or requirement that the Requesting State wishes to be followed;

(e) any time limit within which compliance with the request is desired;

(f) the identity, nationality and location of the person or persons who are the subject of the investigation or proceedings;

(g) in the case of requests for the taking of evidence or search and seizure, a statement indicating the basis for belief that evidence may be found in the jurisdiction of the Requested State;

(h) in the case of requests to take evidence from a person, a statement as to whether sworn or affirmed statements are required, and a description of the subject matter of the evidence sought;

(i) in the case of lending of exhibits, the person or class of persons who will have custody of the exhibit, the place to which the exhibit is to be removed, any tests to be conducted and the date by which the exhibit will be returned;

(j) in the case of making detained persons available, the person or class of persons who will have custody during the transfer, the place to which the detained person is to be transferred and the date of that person's return;

(k) in the case of a Commission, the request for assistance shall be accompanied by an official copy of the records of the investigation conducted by the Requesting State, a detailed statement on the facts, the related evidence and the applicable laws together with a statement on the measures and investigation required;

(1) the need, if any, for confidentiality and the reasons thereof.

4. In the case of requests for assistance for restraint or forfeiture of

proceeds or instruments of crime, where possible:

(a) a detailed description of the proceeds or instruments including their location;

(b) a statement describing the basis for belief that the property is .a proceed or instrument of crime; and

(c) a statement describing the evidence that would be available in or for proceedings in the Requested State.

5. The Requested State shall not refuse to execute the request solely because it does not include all the information described under this Article if it can otherwise be executed according to the law of the Requested State.

6. If the Requested State considers that additional information is needed to enable the request to be dealt with, that State may request such additional information.

Article 5
Execution of Request

1. Requests for assistance shall be executed in accordance with the law of the Requested State and may be executed in accordance with any requirements/manner specified in the request if not incompatible with the law of the Requested State.

2. The Requested State shall, upon request, inform the Requesting State of any circumstances which are likely to cause a significant delay in execution of the request.

3. The Requested State shall promptly inform the Requesting State of a decision of the Requested State not to comply in whole or in part with a request for assistance, or to postpone execution and shall give reasons for that decision.

Article 6
Refusal of Assistance

1. The Requested State may refuse the assistance if:

(a) the execution of the request would, in its judgement, impair, its, sovereignty, security, public order or other essential interests, or prejudice

the safety of any person;

(b) the execution of the request would be contrary to the laws of the Requested State;

(c) if the request seeking restraint, forfeiture or confiscation of proceeds or instruments of activity which, had it occurred within the jurisdiction of the Requested State, would not have been an activity in respect of which a confiscation order could have been made;

(d) if the request is not, in accordance with its laws, within the jurisdiction of the Requested State;.

(e) the request relates to an offence in respect of which the accused person had been finally acquitted or pardoned.

2. Before refusing to grant a request for assistance, the Requested State shall consider whether assistance may be granted subject to such conditions as it deems it necessary. If the Requesting State accepts assistance subject to conditions, it shall comply with those conditions.

Article 7
Transmission of Documents and Objects

1. When the request for assistance concerns the transmission of records and documents, the Requested State may transmit certified true copies thereof, unless the Requesting State expressly requests the originals.

2. The original records or documents and the objects transmitted to the Requesting State shall be returned to the Requested State as soon as possible, unless agreed otherwise on a case by case basis.

3. Insofar as not prohibited by the law of the Requested State, documents, objects and records shall be transmitted in a form or accompanied by such certification as may be requested by the Requesting State in order to make them admissible according to the law of the Requesting State.

Article 8
Taking evidence in the Requested State

1. A person, including a person in custody, requested to testify and

produce documents, records or other articles in the Requested State may be compelled by subpoena or order issued by the competent authority to appear and testify and produce such documents, records and other articles, in accordance with the law of the Requested State.

2. The provisions of the preceding paragraph do not preclude the right of each State to take evidence of the nationals of the other contracting state, with their consent, through its consular or diplomatic representatives. Nationality of the person requested to be heard shall be determined in accordance with the legislation of the Requested State.

3. Subject to the law of the Requested State, commissioners and other officials of the Requesting State concerned in the proceedings shall be permitted to be present when evidence is taken in the Requested State.

Article 9
Availability of Persons to give Evidence or Assist in Investigation in the Requesting State

1. The Requesting State may request that a person be made available to testify or to assist in an investigation.

2. The Requested State shall invite the person, with his consent, to assist in the investigation or to appear as a witness in the proceedings. That person shall be informed of any expenses and allowances payable.

3. Serving of summons to a person to appear to testify or assist in an investigation in the Requesting State shall be subject to the applicable procedure in the Requested State. The service of the summons may be effected by compulsion in accordance with the relevant legislation of the Requested State.

Article 10
Making Detained Persons Available to give Evidence or Assist in Investigations

1. A person in custody in the Requested State may, at the request of the Requesting State, be temporarily transferred to the Requesting State to give evidence or assist in investigations or proceedings, provided that the person consents to that transfer and there are no overriding grounds against transferring, the person.

2. Where the person transferred is required to be kept in custody under the law of the Requested State, the Requesting State shall hold that person in custody and shall return the person in custody at the conclusion of the execution of the request.

3. Where the sentence imposed on-the transferred person expires, or where the Requested State advises the Requesting State that the transferred person is no longer required to be held in custody, that person shall be set at liberty and be treated as person present in the Requesting State pursuant to a request seeking that person's attendance.

4. The Requested State may refuse the transfer of the person in custody if his presence in the Requested State is necessary due to criminal proceedings.

Article 11
Safe Conduct of the Transmitted Person

1. A person transmitted, even with his consent, to the Requesting State in response to a request seeking that person's attendance shall not be prosecuted, detained or subjected to any other restriction of personal liberty in the territory of that State for any acts or omissions which preceded that person's departure from the Requested State, nor shall that person be obliged to give evidence in any proceeding other than the proceedings to which the request relates.

2. Paragraph I of this Article shall cease to apply if a person, being free and provided with the means to .leave the Requesting State, as set forth under Paragraph I (a) of Article 16, has not left it within a period of 30 days after being officially notified that his or her attendance is no longer required or, having left that territory, has voluntarily returned.

3. Any person who fails to appear in the Requesting State may not be subjected to any sanction or compulsory measure in either of the Contracting States.

Except in the cases referred to under Paragraph (2), a person may not be transmitted to any third stated or other body except with the prior consent of the Requested State.

Article 12
Proceeds and Instruments of Crime

1. The Requested State shall upon request endeavour to ascertain whether any proceeds or instruments of a crime are located within its jurisdiction and shall notify the Requesting State of the results of its inquiries.

2. A request may be made for assistance in securing the forfeiture or confiscation of. Proceeds or instruments of crime. Such assistance shall be given in accordance with the law of the Requested State by whatever means are appropriate. This assistance may include giving .effect to an order made by a court or other competent authority in the Requesting State or submitting the request to a competent authority for the purpose of seeking a forfeiture or confiscation order in the Requested State.

3. A request may be made for assistance in the restraint of property for the purpose of ensuring that it is available to satisfy an order for the recovery of proceeds or instruments.

4. Proceeds or instruments forfeited or confiscated pursuant to this agreement shall be disposed of in accordance with the law of the Requested State, unless otherwise agreed on a case-by-case basis.

5. Where action has been taken in the Requested State pursuant to a request for assistance under paragraphs I or 2 of this Article, and there is a representation in either of the Contracting States as the case may be by a person affected by the order, the relevant State shall inform the other State as soon as possible and shall also inform it promptly of the outcome of that representation.

6. In all cases where assistance is rendered pursuant to this Article, the rights of the Requested State, and those rights acquired by third parties in good faith, over such matters shall not be affected.

Article 13
Confidentiality and Limitation of Use

The Requested State may require, after consultation with the Requesting State, that information or evidence furnished pursuant to this Agreement or the source of such information or evidence be kept confidential or be disclosed or used only subject to such terms and conditions as it may specify.

2. The Requested State shall, to the extent requested, keep confidential a request, its contents, supporting documents and any action taken pursuant to the request except to the extent necessary to execute it.

3. The Requesting State shall not disclose or use information or evidence furnished for purposes other than those stated, in the request without the prior consent of the Requested State.

Article 14
Authentication

Evidence or documents transmitted pursuant to this Agreement shall not require any form of authentication, save as is specified in Article 7.

Article 15
Language

Requests and supporting documents shall be accompanied by a translation into one of the official languages of the Requested State or into English.

Article 16
Costs

1. The Requested State shall meet the cost of executing within its territory the request for assistance, and the Requesting State shall bear the other expenses including:

(a) the expenses associated with conveying any person to or from the territory of the Requested State at the request of the Requesting State, and any allowance or expenses payable to that person during his presence in the territory of the Requesting State pursuant to a request under Articles 9 or 10 of this Agreement; and

(b) the expenses and fees of experts either in the Requested State or the Requesting State.

2. If it becomes apparent that the execution of the request requires expenses of an extraordinary nature, the Contracting States shall consult to determine the terms and conditions under which the requested assistance can be provided.

Article 17
Other Agreements and Treaties

The present Treaty shall not affect the rights and obligations of the Contracting States arising from international conventions, treaties or agreements to which they are parties.

Article 18
Entry into Force, Termination, Settlement of Difficulties or Disputes

1. This Agreement is subject to ratification in accordance with the constitutional procedures and practice in each of the Contracting States and the instruments of ratification shall be exchanged through diplomatic channels as soon as possible. It shall come into force on the date of exchange of instruments of ratification.

2. Either of the Contracting States may terminate this Agreement by giving six months notice thereof through diplomatic channels. Upon the expiry of such notice, the Agreement shall cease to have any force or effect.

3. Any difficulties or dispute in the application and/or interpretation of this Agreement shall be settled amicably between the Contracting States through diplomatic channels.

IN WITNESS WHEREOF, the undersigned, being duly authorised thereto by their respective Governments, have signed this Agreement.

Done at New Delhi on this 13 day of January 2004, in two originals each in the Hindi, Arabic and English languages, all texts being equally authentic. However, in case of difference, the English text shall prevail.

Sd/-	Sd/-
For the Government of the Republic of India	For the Government of the Kingdom of Bahrain

✦ ✦ ✦ ✦ ✦

190. Agreement between the Government of the Republic of India and the Government of the Kingdom of Bahrain on Juridical and Judicial Cooperation in Civil and Commercial Matters for the Service of Summons, Judicial Documents, Commissions, Execution of Judgements and Arbitral Awards.

New Delhi, January 13, 2004.

The Government of the Republic of India and the Government of the Kingdom of Bahrain, hereinafter referred to as "the Contracting States";

Being desirous of strengthening the bonds of friendship between the two countries and promoting fruitful cooperation in the judicial and legal spheres;

Recognising the need to facilitate the widest measure of legal assistance in civil and commercial matters;

HAVE AGREED as follows:

Article 1

1. The Contracting States shall grant each other under this Agreement the widest measure of mutual legal assistance in civil and commercial matters in accordance with their national laws.

2. Assistance under this Agreement shall apply in:

(a) service of summons and other judicial documents or processes;

(b) the taking of evidence by means of Letters of Request or commissions;

(c) execution of decrees, settlements and arbitral awards.

3. This Agreement shall be without prejudice to any rights and obligations of the Contracting States pursuant to other agreements or treaties.

4. This Agreement shall apply to any request for mutual legal assistance relating to any civil or commercial matter arising either prior to or after its entry into force.

Article 2

1. Requests for legal assistance shall be made through the Central Authorities of the Contracting States.

2. In the Republic of India the Central Authority is the Ministry of Law and Justice. In the Kingdom of Bahrain the Central Authority is the Ministry of Justice.

3. Unless otherwise stated all the documents in connection with the legal assistance shall be officially signed by the Court under its seal which shall be authenticated by the Central Authority of the Requesting State.

4. All requests and supporting documents shall be furnished in duplicate and shall be accompanied by a translation into one of the official languages of the Requested State.

Article 3

1. Summons and other judicial documents in the Contracting States shall be served:

(i) in the case of India, through the courts in whose jurisdiction the concerned persons reside.

(ii) in the case of the Kingdom of Bahrain, through the Ministry of Justice;

2. The service of summons and other judicial documents shall be effected in accordance with the procedure provided for in the laws of the Requested State, or by a particular method desired by the Requesting State, unless such a method is incompatible with the law of the Requested State.

3. The summons and other judicial documents served in pursuance of this Agreement shall be deemed to have been served in the territory of the Requesting State.

4. The provisions of paragraph 1 of this Article shall not preclude the right of the Contracting States to effect such service, through its diplomatic or consular representatives, of summons and other judicial documents on its nationals residing in the territory of the other Contracting State without application of any compulsion. Service in such cases shall entail no

responsibility for the State of accreditation.

5. Subject to the provisions of paragraph 2 of this Article, summons and other judicial documents may be served directly through postal channels or by delivery to an addressee who accepts it voluntarily without application of any compulsion.

6. Any claim about the addressee being a national of the State in whose jurisdiction the service is to be effected shall be determined in accordance with the law of that State.

Article 4

The request for the service of summons and other judicial documents shall furnish all particulars concerning the name and title, place of residence or business of the addressee and a list of documents and papers to be served on that person. Where any special mode of service is desired, this should also be indicated in the request.

Article 5

1. A request for service of summons and other judicial documents, which is in conformity with the provisions of this Agreement, may not be refused, unless the Requested State considers that compliance with the request would infringe its sovereignty, security or public policy.

2. Service may not be refused on the ground that the request does not show sufficient legal grounds supporting the merits of the case.

3. Whenever the service is not effected, the Requested State shall forthwith notify the Requesting State of the reasons therefore.

Article 6

1. The competent authority in the Requested State shall serve the said documents and papers in accordance with the laws and rules applicable in this regard. No fees and costs may be levied for effecting such service.

2. Service may be effected in a special mode or manner specified by the Requesting State, provided that it does not contravene the laws of the Requested State and further subject to the payment of costs of such special mode of service.

Article 7

1. The powers of the competent authority in the Requested State shall be limited to the delivery of the judicial documents and papers to the addressee.

2. Delivery shall be proved either by the signature of the addressee on the copy the judicial document or paper, or by a certificate issued by the competent authority stating the name of the addressee, the date and mode of delivery, and where such delivery could not be effected, the reasons for such non-delivery.

3 A copy of the judicial documents or paper signed by the addressee or a certificate proving delivery shall be sent to the requesting authority through the Central Authority.

Article 8

1. The judicial authorities of a Contracting State may in accordance with the provisions of the law of that State, request for the taking of evidence in civil and commercial matters by means of letters of Request addressed to the competent judicial authorities of the other State.

2. For the purpose of this Agreement, taking of evidence shall be deemed to cover:

(a) the taking of the statements, on oath or otherwise, of a witness;

(b) the administering of oath to a witness, with regard to any legal proceedings; and

(c) the production, identification or examination of documents, records, samples relevant to the evidence requested and submitted by the person whose evidence is taken under sub-paragraphs (a) & (b) above.

3. A letter of Request shall specify:

(a) the judicial or other competent authority requesting the evidence;

(b) the nature of the proceedings for which the evidence is required .and all necessary information related thereto;

(c) the names and addresses of the parties to the proceedings

(d) the evidence to be obtained; and

(e) the names and addresses of the persons to be examined.

4. Where deemed necessary, the Letters of Request shall be accompanied by a list of interrogatories to be put the witnesses or other persons involved or a statement of the subject matter about which they are to be examined and the documents relevant to such evidence or statement.

5. The Letters of Request shall indicate whether the evidence required is to be taken on oath or affirmation.

Article 9

The Judicial proceedings performed by way of a Commission in pursuance of the provisions of this Agreement, shall have the same legal effect as if it is performed by a competent authority in the Requesting State.

Article 10

1. The competent authorities of the Requested State shall execute the Letters of Request in accordance with the provisions of its own laws and obtain the evidence required by applying the same methods and procedures as are permissible under its laws, including the same appropriate methods of compulsion.

2. The Requested State shall follow any special method or procedure which has been expressly specified by the Letter of Request insofar as it is not incompatible with its laws and practices.

3. The Letters of Request shall be executed as expeditiously as possible.

4. The Requesting State shall, if it so desires, be informed of the time when, and the place where, the proceedings will take place, in order that the parties concerned, and their representative, if any, may be present. This information shall be sent directly to the parties or their representatives when the Requesting State so requests.

5. When the Letter of Request has been executed, the necessary documents establishing its execution shall be sent to the Requesting State.

6. In every instance where the Letter of Request is not executed in whole or in part, the Requesting State shall be informed as soon as possible and advised of the reasons.

Article 11

1. The execution of a Letter of Request may be refused only to the extent that:

(a) the execution of the letter does not fall within the functions of the judiciary; or

(b) the Requested State considers that its sovereignty or security would be prejudiced by its execution.

2. Execution may not be refused solely on the ground that under its internal law the Requested State claims exclusive jurisdiction over the subject matter of the action or that its internal law would not admit a right of action on it.

Article 12

The execution of Letters of Request and the taking of evidence by the Requested State shall not give rise to any reimbursement of charges, expenses or costs, under whatever description by the Requesting State. However, the Requested State shall have the right to seek reimbursement of:

a. any expenses and charges paid to the witnesses, experts or interpreters;

b. any costs incurred to secure the attendance of witnesses who have not appeared voluntarily; and

c. any costs and expenses occasioned by the use of a special procedure on request.

Article 13

A diplomatic officer or Consular Agent of either Contracting State may, in the territory of the other State, take the evidence, without compulsion of nationals of the State which he represents, in aid of judicial proceedings commenced in the courts of the Contracting State which he represents.

Article 14

A person duly appointed as a Commissioner by the courts of either Contracting State may, without compulsion, take evidence in the territory of the other Contracting State, in accordance with the law of that State.

Article 15

1. Each of the Contracting States shall, in accordance with its laws, recognise and/or execute decrees passed by the Courts of the other Contracting State in civil, commercial and personal matters and by criminal courts in civil matters.

2. The term "decree" as used in this Agreement, whatever its designation, means any decision rendered in judicial proceedings by a competent court of the Contracting States.

3. This Agreement shall not apply to interim or provisional measures, except matters relating to taxation and allowances.

Article 16

In disputes involving the question of capacity or status of a person, the courts of the State of which that person is a national at the time of institution of the suit shall be competent in those matters.

Article 17

The courts of the State where immovable property is situated shall be competent to determine the rights connected with such property.

Article 18

In matters other than capacity or status of a person or immovable property, the courts of a Contracting State shall have jurisdiction in the following cases:

(a) If the defendant has his domicile or residence in the territory of that State at the time of institution of the suit; or

(b) the defendant has at the time of institution of the suit, a place or a branch of commercial or industrial nature or works for gain in the territory of that State, and the suit relates to such activity; or.

(c) by an express or implied agreement between the plaintiff and the defendant, the contractual obligations giving rise to the litigation are or have to be performed in the territory of that State; or

(d) in case of non-contractual liability if the act is committed in the territory of that State: or

(e) the defendant expressly or impliedly submitted to the jurisdiction of the courts of that State, and the law of that State allows such submission; or

(f) any application for provisional measures, if the courts of such State are deemed competent to hear the principal dispute, by virtue of the provisions of this Agreement.

Article 19

Subject to the provisions of this Agreement, the courts of the State requested to recognise or execute a decree shall, when examining the grounds of jurisdiction exercised by the Courts of the other Contracting State, be bound by the facts stated in that decree and on which jurisdiction is based, unless the said decree had been passed in absentia.

Article 20

A decree shall not be recognised or executed in the following cases:

(a) if it is not conclusive and executable; or

(b) it has not been pronounced by a Court of competent jurisdiction; or

(c) it has not been given on the merits of the case; or

(d) it appears on the face of the proceedings to be founded on an incorrect view of international law or a refusal to recognise the laws of the Requested State in cases in which such law is applicable; or

(e) the proceedings in which the judgement was obtained are opposed to natural justice; or

(f) it has been obtained by fraud; or

(g) it sustains a claim founded on a breach of any law in force, or is

contrary to the constitutional rules or the principles of public order in the Requested State; or

(h) it contravenes the rules concerning the legal representation of persons suffering from lack of capacity in the Requested State; or

(i) it is passed in absentia and the defaulting party was not duly summoned in accordance with the rules applicable in his country; or

(j) the dispute in which the decree was passed is pending in a suit before one of the courts in the Requested State, between the same parties and involving the same cause of action, and that suit was raised before one of the courts of the Requested State at a date prior to the raising of that dispute in the court of the State which passed the decree, and provided that the court before which the suit was raised, is competent to hear and decide upon it.

Article 21

Procedures relating to recognition or execution of a decree shall be subject to the laws of the Requested State.

Article 22

1. The competent judicial authority in the Requested State to recognise or execute a decree shall, without reviewing the merits of the case, confine itself to ascertaining the compliance of the decree with the conditions provided for in this Agreement.

2. The competent judicial authority in the Requested State shall, in executing the decree, follow the same procedures as it would have done had the decree been passed in its own territory.

3. The order for execution may be made for the whole or part of the decree, if the execution of such part of the decree is severable.

Article 23

The Central Authority of the Contracting State requesting recognition or execution of a decree in the other Contracting State, shall submit the following:

(a) an official copy of the decree.

(b) a certificate showing that the decree is final and executable, unless that is provided for in the decree itself.

(c) in case of a decree in absentia, an authenticated copy of the summons or any other document showing that the defendant was duly summoned.

(d) if the request is only for execution of a decree, an official copy in properly executable form.

Article 24

1. The settlement of a claim which is made and filed before a judicial authority of either Contracting State competent to consider the claim according to its national law shall be recognised and enforced in the territory of the other Contracting State, after ascertaining that it is executable in the State in which it was concluded, and that it does not contain any provisions contravening the constitutional rules or public policy of the Requested State.

2. The state requesting recognition or execution of a settlement must submit an official copy and a certificate from the judicial authority stating the extent, if any, to which the decree has been satisfied or adjusted.

Article 25

1. Arbitral awards given in the territory of either State shall be recognised and enforced in the territory of the other State provided that:

(a) the award of arbitrators is based on a written agreement of the parties to the dispute to submit to arbitrators for determination of any specific or future dispute arising out of legal relations.

(b) the award is made on matters arbitrable according to the law of the State requested to recognise and enforce the award unless it is contrary to the public policy of the Requested State.

2. The party requesting the recognition and enforcement of an award, shall produce a copy of the award, accompanied by a certificate of the competent authority in the Requesting State to the effect that the award is executable. A certified copy of the Agreement between the disputant parties empowering the arbitrators to decide the dispute shall also be produced.

Article 26

1. 'This Agreement is subject to ratification in accordance with the

constitutional procedures and practice in each of the Contracting States and the instruments of ratification shall be exchanged through diplomatic channels as soon as possible. It shall come into force on the date of exchange of instruments of ratification.

2. Either of the Contracting States may terminate this Agreement by giving six months notice thereof through diplomatic channels. Upon the expiry of such notice, the Agreement shall cease to have any force or effect.

3. Any difficulties or dispute in the application and/or interpretation of this Agreement shall be settled amicably between the Contracting States through diplomatic channels.

IN WITNESS WHEREOF, the undersigned, being duly authorised thereto by their respective Governments, have signed this agreement.

Done at New Delhi on this 13 day of January 2004, in two originals each in the Arabic, Hindi and English languages, all texts being equally authentic. However, in case of difference, the English text shall prevail.

Sd/-
For the Government of
The Republic of India

Sd/-
For the Government of
The Kingdom of Bahrain

✦ ✦ ✦ ✦ ✦

191. Extradition Treaty between the Government of India and the Government of the Kingdom of Bahrain.

New Delhi, January 13, 2004.

The Government of the Republic of India and the Government of the Kingdom of Bahrain, hereinafter referred to as "the Contracting States";

Being desirous to promote the bonds of fruitful cooperation between the two countries;

Recognising that concrete steps are necessary to combat terrorism and other crimes;

Determined to make more effective the cooperation between the two countries in the suppression of crime by entering into an Extradition Treaty;

Have agreed as follows:

Article 1

The Contracting States shall extradite any person found in their respective territories who is accused or convicted of an extraditable offence in the territory of the other Contracting State, in accordance with the rules and stipulations contained in the subsequent Articles, whether such offence was committed before or after the entry into force of this Treaty.

Article 2

1. An "extraditable offence" shall be any offence punishable under the laws of both Contracting States by imprisonment for a period of at least one year.

2. The following persons shall be extradited:

(a) Persons accused of an extraditable offence.

(b) Persons sentenced by the Courts of the requesting State to imprisonment for at least six months in respect of an extraditable offence.

Article 3

1. Subject to Article 2 for offences in connection with taxes, fiscal

charges and customs duties extradition shall be effected in accordance with the provisions of this Treaty only if the said offence corresponds to an offence of a similar nature under the law of the requested State.

2. An attempt or conspiracy to commit or incite or participate in the commission of an extraditable offence shall also be regarded as an extraditable offence.

Article 4

1. Extradition shall be granted in respect of an extraditable offence committed outside the territory of the requesting State, if it has jurisdiction to try the offence, and provided that the requested State, in corresponding circumstances, would have jurisdiction over such an offence.

2. Extradition shall also be available for an extraditable offence notwithstanding that the criminal conduct of the person sought occurred wholly or partly in the requested State, if under the law of that State his conduct and its effects or its intended effects, taken as a whole, would be regarded as constituting the commission of an extraditable offence in its territory.

3. Extradition shall be available for an extraditable offence if committed in a third State by a national of the requesting State who is present in the requested State.

Article 5

Extradition may be refused:

1. If the offence for which the extradition is requested is a political offence. In the application of this Treaty, the following shall not be regarded as political offences:

(a) Assault upon the President and Vice President of the Republic of India or their immediate families, or assault upon any member of the Council of Ministers of the Republic of India or their immediate family.

(b) Assault upon the King, the Prime Minister or the Crown Prince of the Kingdom of Bahrain, or their immediate families, or assault upon any member of the Council of Ministers of the Kingdom of Bahrain or their immediate family.

(c) Offences of murder, culpable homicide not amounting to murder, or theft by coercion against individuals, authorities, or public transport.

(d) Offences of kidnapping, assault causing bodily harm, hostage-taking, offences involving serious damage to property or disruption of public facilities, and offences relating to firearms or other weapons, or , explosives, or dangerous substances;

(e) Any attempt or conspiracy to commit or incite or participate in any of the above offences;

(f) Any offence within the scope of an international Convention to which both Contracting States are parties and which obligates the States parties to prosecute or grant extradition.

2. If the offence of which the person is accused or convicted is a military offence which is not also an offence under the general criminal law.

3. If the offence for which extradition is requested was committed in the requested State.

4. If the offence has been the subject of a final judgement in the requested State.

5. If the case or the sentence had lapsed by virtue of the law of either of the Contracting States when the request for extradition was received;

6. If the requested person is under investigation or standing trial in the requested state for the same offence which is the subject of the extradition request.

Article 6

Extradition shall be refused if the person wanted is a national of the requested State. For the purpose of this Treaty, nationality of the person, sought for extradition shall be determined to be that at the time of the commission of the offence.

Article 7

1. Where the requested State refuses a request for extradition for any of the reasons set out in the foregoing Articles 5 and 6 it shall submit the case to its competent authorities for prosecution. Those authorities shall

determine the case in the same manner as in the case of any offence of a similar nature under the law of that State.

2. Where extradition is refused under paragraph 3 of Article 5, if at any stage of the prosecution or investigation in the requested State, the investigating, prosecuting or judicial authorities in the requested State find the prosecution of the person wanted non-feasible in that State, the request for extradition may be reconsidered.

Article 8

The request for extradition shall be made in writing and dispatched through diplomatic channels with the following supporting documents and particulars:

1. If the request relates to a person already convicted and sentenced, an official copy of the sentence passed against the person to be extradited or, if the person to be extradited is wanted for trial, the warrant of arrest, or remand or any document having the same effect, issued by a competent authority;

2. Particulars as to identity, description and a photograph of the person to be extradited, if possible;

3. The date, the place of the commission of the acts for which extradition is requested, the legal characterisation of those offences, and a certified copy of the applicable legal provisions, and a statement by the prosecuting authorities as to evidence against the person to be extradited;

4. In case of persons not yet sentenced, such other evidence as, according to the laws of the requested State, would justify his arrest and committal for trial had the offence been committed within the jurisdiction of the requested State;

All documents referred to above shall be translated into English and authenticated by the requesting State.

Article 9

1. In case of urgency, a person to be extradited may be provisionally arrested and kept in custody until the request for extradition, together with the documents referred to in the preceding Article are received.

2. The request for provisional arrest shall be communicated in writing to the competent authority of the requested State, either directly or through the International Criminal Police Organisation (INTERPOL) channels.

3. The same request shall be confirmed through the diplomatic channels, and shall contain a reference to the existence of any of the documents, enumerated in paragraph (1) of Article 8, and confirming the intention of the requesting State to transmit a request for extradition, a statement of the offence for which extradition is requested, the sentence specified for that offence or the sentence imposed, the time and place of the commission of the offence and a detailed description of the person to be extradited as far as possible. The requesting State shall expeditiously be notified of any action taken, in respect of the request.

4. The provisional arrest shall be made in accordance with the legal procedures of the requested State.

Article 10

1. The competent authority in the requested State may, if the documents required under Article 8 of this Treaty are not delivered within sixty days from the date of the arrest of the person to be extradited release that person.

2. The period of the provisional detention shall not, in any case, exceed ninety days from the date of its commencement. However, the release of such person shall not prevent his re-arrest and extradition, if the request for extradition is submitted afterwards.

3. The person to be extradited may at any time be released on bail, if the requested State takes all necessary measures to prevent his escape.

Article 11

If the requested State needs additional clarifications to ensure compliance with the conditions prescribed under this Treaty, it shall notify the requesting State through diplomatic channels, before rejecting the request, and may fix a date for receiving such clarifications.

Article 12

1. If more than one request for extradition for the same person or offence are made from States to which the Requested State is obliged, by virtue of

any international agreement to which it is a party, to extradite persons, priority shall be given to the State whose security or interest or its nationals or their interests are affected by the offence, and then to the State on whose territory the offence is committed, and lastly to the State of which the person to be extradited is a national.

2. If the circumstances are identical, the State which made the first request, shall have preference. If the requests for extradition are for several offences, then priority is accorded to the circumstances of the offence and its gravity.

Article 13

Without prejudice to the right of others acting in good faith, and to the laws in force in the requested State anything found in possession of the person to be extradited, at the time of his arrest, whether being the proceeds of the offence or used in the commission of, or connected with it, or relevant as evidence, shall be attached and may be handed over to the requesting State, even if the offender is not extradited due to his death or his absconding.

Article 14

1. The competent authorities in each Contracting State shall determine the request for extradition in accordance with the law in force at the time of the request.

2. In the event of accepting the extradition request, the requesting State shall be notified of the date and place of the extradition.

3. In case the request is rejected, the requested State shall communicate to the requesting State, through diplomatic channels, the decision taken stating the reasons for rejection.

4. The requesting State shall, within thirty days from the date of its notification of the extradition, receive the person to be extradited, otherwise the requested State may discharge him, and in such event no second request for extradition may be accepted for the same offence.

5. If exceptional circumstances prevent a Contracting State from surrendering or taking delivery of the person sought in the prescribed time, it shall notify the other Contracting State. In such a case, the competent

authorities of the Contracting States may agree upon a new date for the surrender.

Article 15

1. If the person to be extradited is under investigation or standing trial or is convicted in the requested State for an offence other than that for which his extradition is requested, then the requested State shall determine the request and communicate its decision to the requesting State.

2. If the request for extradition is accepted, then the surrender of the person to be extradited, shall be postponed until his trial in the requested State is completed and the punishment passed is executed.

3. The provisions of this Article shall not preclude the possibility of the provisional surrender of the person to be extradited to appear before the judicial authorities of the requesting State, provided that the requesting State expressly undertakes to return him to the other contracting state, after the completion of judicial proceedings pertaining thereto, subject to the law of the requested State.

Article 16

1. The competent authorities of the requested State shall admit as evidence, in any proceedings for extradition, any statement taken on oath or by way of affirmation, any warrant or any certificate or judicial document stating the fact of conviction, if it is authenticated:

(a) In the case of a warrant being signed by a competent person, or in the case of any original document being certified by a judge, magistrate or other competent authority of the requesting State; and

(b) In the case of depositions or statements either by oath of some witness or by being sealed with the official seal of the appropriate authority of the requesting State; or

(c) In such other manner as may be permitted by the law of the requested State.

2. The evidence described in the foregoing paragraph shall be admissible in extradition proceedings in the requested State whether sworn or affirmed in the requesting State or in some third State.

Article 17

1. The person to be extradited shall not be tried or punished in the requesting State except for the offence for which his extradition has been sought or for offences connected therewith, or 'offences committed after his extradition. If the characterisation of the offence is modified during the proceedings taken against the person extradited, he shall not be charged or tried, unless the ingredients of the offence in its new characterisation, permit extradition in conformity with the provisions of this Treaty.

2. If the person extradited had the liberty and means to leave the territory of the State to which he was extradited, and he did not leave within thirty days subsequent to his final release or left during that .period, but voluntarily returned, he may be tried for the other offences.

Article 18

The Contracting State to which the person is extradited shall not extradite him to a third State, without the consent of the other Contracting State, unless any of the conditions under Article 17 (2) are applicable.

Article 19

The term of provisional arrest referred to under Article 9 shall be remitted from any sentence passed in the requesting State against the person to be extradited.

Article 20

1. Transit of a person who is the subject of extradition from a third State through the territory of a Contracting State to the territory of the other Contracting State shall be granted on submission of a request, provided that the offence concerned is an extraditable offence under the provisions of this Treaty.

2. Transit of a national of the requested State may be refused if it is inadmissible under its law.

3. The request for transit must be accompanied by the documents mentioned in this Treaty.

4. The documents mentioned in the foregoing paragraph shall be

delivered to the Requested State forty five days before the date fixed for transit.

Article 21

1. The Requested State shall meet all the expenses necessitated by the extradition of the person arising within its territory but the Requesting State shall pay all the transportation expenses to its territory.

2. The requesting State shall bear the expenses of the return of the extradited person to the place, he was in at the time of his extradition if his commission of the offence or complicity is not proved.

Article 22

Each Contracting State shall in accordance with its national law and bilateral agreements afford the other the widest measure of mutual assistance in criminal matters in connection with the offence for which extradition has been requested.

Article 23

The present Treaty shall not affect the rights and obligations of the Contracting States arising from international conventions, treaties or agreements to which they are parties.

Article 24

1. This Treaty is subject to ratification in accordance with the Constitutional procedures and practice in each of the Contracting States and the instruments of ratification shall be exchanged through diplomatic channels as soon as possible. It shall come into force on the date of exchange of instruments of ratification.

2. Either of the Contracting States may terminate this Treaty by giving six months notice thereof through diplomatic channels. Upon the expiry of such notice, the Treaty shall cease to have any force or effect.

3. Any difficulties or dispute in the application and/or interpretation of this Treaty shall be settled amicably between the Contracting States through diplomatic channels.

IN WITNESS WHEREOF, the undersigned, being duly authorised

thereto by their respective Governments, have signed this Treaty.

Done at New Delhi on this 13 day of January 2004, in two originals each in the Hindi, Arabic and English languages, all texts being equally authentic. However, in case of difference, the English text shall prevail.

Sd/-	Sd/
For the Government of	For the Government of
The Kingdom of Bahrain	The Republic of India

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192. Joint statement issued at the end of the visit of the Prime Minister of Bahrain to India.

New Delhi, January 14, 2004.

At the invitation of Prime Minister Mr. Atal Bihari Vajpayee, His Highness Shaikh Khalifa Bin Salman Al-Khalifa, Prime Minister of the Kingdom of Bahrain, accompanied by a high-level delegation, paid a State Visit to India from January 11-14, 2004. H.H. the Prime Minister of the Kingdom of Bahrain was warmly welcomed by the Indian Prime Minister, who described his visit as historic and a reaffirmation of the centuries-old and time-tested relations between the two countries and their peoples.

During the visit, Prime Minister Shaikh Khalifa Bin Salman Al-Khalifa held discussions with Prime Minister Mr. Atal Bihari Vajpayee. Both sides noted with satisfaction the strengthening of historical bilateral contacts in the modern age through their common commitment to tolerance, democracy and peace, particularly through their membership of the Non-Aligned Movement and other regional and international organisations. H.H. the Prime Minister of Bahrain called on the President of India H.E. Dr. A.P.J. Abdul Kalam, and the Vice President, H.E. Mr. Bhairon Singh Shekhawat. The External Affairs Minister, H.E. Mr. Yashwant Sinha, called on H.H. the Prime Minister of Bahrain.

During the visit the following agreements were signed between the two sides:

1. Memorandum of Understanding on cooperation between Ministries of Foreign Affairs;

2. Agreement on Juridical and Judicial Cooperation in Civil and Commercial Matters;

3. Extradition Treaty;

4. Agreement on Mutual Legal Assistance in Criminal Matters;

5. Agreement on the Promotion and Protection of Bilateral Investment;

His Highness the Prime Minister of Bahrain also attended a business interaction session organised in his honour by the Federation of Indian Chamber of Commerce and Industries (FICCI) and the Confederation of Indian Industries (CII). Ministers accompanying the Prime Minister and representatives of the Bahraini business delegation also attended the session.

India and Bahrain expressed their common resolve to enhance cooperation and mutual consultations on bilateral, regional and international issues, so as to continue to contribute to peace, stability and prosperity in the region and the world. In this context, they welcome the India-GCC Political Dialogue initiated last year and the forthcoming India-GCC Industrial Conference in Mumbai in February 2004.

Both sides recognised the potential for an increased flow of investment between the two countries. They expressed their conviction that there is considerable untapped potential in major sectors, including Information Technology and knowledge products. To provide an added momentum, the two sides reiterated their commitment to deepen and diversify the scope of their economic, investment, trade and cultural exchanges. They noted the importance in this regard of the convening of the fourth session of the Joint Economic and Technical Committee and of the third session of the Joint Business Council, scheduled for 2004.

The Prime Minister of Bahrain lauded the role of the Indian community in Bahrain and their contribution to Bahrain's economic development. The Prime Minister of India stated that India was always ready to meet the human resource requirements of Bahrain.

On the developments in the international arena, both India and

Bahrain share the conviction that the emerging world order should be just, equitable, and built on the principles of democracy, respect for sovereignty and territorial integrity, non-interference in the internal affairs of states and the peaceful settlement of disputes. They share the desire for a comprehensive reform of the U.N. system to make it more representative and responsive to the needs and aspirations of the developing countries.

The two sides, in line with their commitment to the United Nations Security Council Resolution 1373, affirmed their condemnation of terrorism in all its forms and manifestations. They reaffirmed their conviction that terrorism knows no religion or geographical boundaries and no cause or reason can justify terrorism. Both sides reiterated their strong belief that the fight against terrorism has to be global, comprehensive and sustained so as to totally eliminate the global menace of terrorism everywhere. In this context, both sides highlighted the importance of agreements on Mutual Assistance in Criminal Matters and the Extradition Treaty signed by the two countries.

The two sides reaffirmed their faith in the Non-Aligned Movement and stressed the importance of its revitalisation to address global issues such as poverty alleviation, sustainable development, food security, as well as issues of international peace and security.

The two sides called for the early establishment of a Palestinian State in accordance with relevant UN Security Council Resolutions so as to end the Israeli occupation of Arab territories. India and Bahrain called for an early implementation of the "Road Map". The ongoing spiral of violence and counter-violence should end.

Sustained and purposeful efforts towards a just, comprehensive and durable peace need to be made in accordance with UN Resolutions 242 and 338 and the principle of "land for peace". In this regard, both sides recognised the importance of the initiative by the Kingdom of Saudi Arabia, adopted by the Arab Summit in Beirut in March 2002, as a basis for advancing the peace process.

The two sides confirmed their shared desire to promote regional stability and security, for the Middle East region as a whole and agreed to continue their efforts to encourage this trend.

Both sides affirmed the need to respect the sovereignty and territorial

integrity of Iraq. They stressed the need for the United Nations to play an important role in the political and reconstruction process in Iraq. Both sides hoped that the sovereignty would be transferred to the people of Iraq at the earliest opportunity so that they are enabled to decide on a government of their choice and control their natural resources.

India and Bahrain agreed on the need for the international community to support Afghanistan in its efforts to achieve the long-term developmental needs of that country.

Bahrain welcomed the progress, aimed at fostering friendship and good neighbourly relations, achieved during the recent visit of Prime Minister of India to Islamabad for the South Asian Association for Regional Cooperation (SAARC) Summit and supports the resolution of India-Pakistan issues through bilateral dialogue.

The Prime Minister of India noted with satisfaction that the Official Visit of the Prime Minister of the Kingdom of Bahrain had made a substantial contribution to strengthening bilateral relations in all spheres. He expressed confidence that it would significantly promote the intensification of bilateral cooperation. They both agreed on the importance of increasing the frequency of bilateral visits at all levels.

The Prime Minister of Bahrain conveyed to the President of India the invitation of His Majesty King Hamad Bin Isa Al-Khalifa to visit the Kingdom of Bahrain. The invitation was graciously accepted, and the dates will be agreed through diplomatic channels.

The Prime Minister of the Kingdom of Bahrain expressed his deep appreciation to the Prime Minister of the Republic of India, the people and the Government of India for the warm welcome and generous hospitality extended to him and his delegation. The Prime Minister of the Kingdom of Bahrain invited Prime Minister of India to visit the Kingdom. The Prime Minister of India accepted this invitation with pleasure. The dates will be decided through diplomatic channels.

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IRAN

193. Inaugural Address by National Security Adviser, Brajesh Mishra at the Observer Research Foundation Conference on 'Iran: Twenty-Five Years After the Revolution'.

New Delhi, March 7, 2004.

Shri Hamid Ansari,

Shri R.K. Mishra,

Distinguished scholars from Iran, India and other countries,

Excellencies, ladies and gentlemen.

I congratulate the ORF for this initiative of inviting such a distinguished galaxy of scholars to discuss where Iran stands today – 25 eventful years after the revolution, which transformed its religious, political and social life. For obvious reasons, it is a subject of absorbing interest to religious historians, social scientists, political analysts and strategic thinkers.

No objective scholar of history can deny the fact that the Islamic Revolution of 1979 was one of the seminal events of the twentieth century. The overthrow of a strong monarchy, commanding a formidable military machine, by a popular revolution that united diverse strands of Iranian society under the iconic leadership of Ayatollah Khomeini, sent political ripples around the world.

The Iranian Revolution was an assertion of national independence and an expression of indigenous political traditions. It was, in a sense, a successor to the Mossadeq period of Iran's search for a nationalist framework to accommodate its unique historical and religious ethos. There was appreciation – including in India – for the new Iran's foreign policy choice of "na sharghi na gharbi" (neither West nor East), which mirrored our policy of non-alignment. In tandem with this foreign policy, Iran's new leaders adopted a model of development based on self-reliance and economic justice, which found a sympathetic echo in much of the developing world.

Of course, there was also a tinge of concern, based on the world's past experience of Revolutions driven by ideology. Also after many centuries,

the twentieth century rediscovered the unique experience of a revolution driven by religion.

Where have the last twenty-five years taken Iran? I will only take a few snapshots of prominent events and trends over this quarter century.

- The Revolution was challenged virtually from the start. Eight years of a brutal and destructive war with Iraq retarded development and denied an entire generation the opportunity of national and social reconstruction.

- The rise of the extremist and obscurantist Taliban in neighbouring Afghanistan aroused both theological and security concerns in Iran.

- The military action in Iraq last year aggravated Iranian apprehensions about external influences in the region. But in the aftermath, Iran finds itself in a position to make a key contribution to the sovereignty and territorial integrity of Iraq by promoting a democratic, secular polity in that country, which would shun extremism, sectarianism and terrorism and would provide irrevocable constitutional guarantees to all its minority groups.

- Iran's position, posture and actions in the other West Asian processes are also of crucial importance for the success of the efforts to bring enduring peace to the Middle East.

- The course of recent discussions and arguments over Iran's nuclear programme have illustrated both an encouraging trend of "normalization" of Iran's relations with some of the western countries and some persisting contradictions with others. It is important to emphasise that these contradictions can be resolved only through cooperative effort of the concerned parties and sincere implementation of the commitments made in the recent past.

- Iran now faces the daunting challenge of fulfilling the aspirations of a largely post-Revolution generation. The political awareness of this generation has been shaped by the experiences of Iranian nationalism, but its economic and social expectations flow from the reality of globalization.

- The message of the Revolution has evolved over the last decade to a call for a 'Dialogue among Civilizations', which has been widely welcomed. The relevance of this message has been reinforced after 9/11.

- The memories of the past, the compulsions of the present and the

aspirations for the future were all reflected in the fierce debates and emotional polemics, which marked the run up to the recent Parliamentary elections in Iran. There is a fresh yearning to view the significance of the events of 1979 through the prism of contemporary realities and pragmatic possibilities. This evolutionary process in Iran must be allowed to go forward on its own without external interference of any kind or in any manner.

So, I think there is a lot for scholars to discuss and analyze on modern-day Iran.

For us in India, Iran is an important neighbour. We shared a border till 1947. The Indian and Persian civilizations enriched each other and the world around them. You can see the pervasive Persian influence on our languages – particularly Urdu – and in our art, architecture and music.

Engagement with Iran is an important component of India's strengthening interaction with its extended neighbourhood. Despite the distractions of some regional developments – and because of the convergences created by others – the bilateral relations of the two countries have shown a consistently upward trajectory.

India and Iran were among a handful of countries to warn the world of the dangers from Taliban-ruled Afghanistan, well before 9/11. We cooperated in working for the ouster of the Taliban. Today, we share common perspectives on the future course of Afghanistan's development and reconstruction.

Iran is a vital energy partner for us. We are exploring long-term, cost-effective and secure modes for transfer of gas from Iran to India. We see a synergy between the energy resources in Iran and energy markets in India, which we should exploit through commercial arrangements.

The complementarities in our economies have taken our bilateral trade to nearly US $3 billion by last year. We have begun functional cooperation in areas such as IT, science & technology and health. We are also working together for new transit corridors from India to Afghanistan, Central Asia and Russia, through Iran.

The high-level visits between India and Iran testify to our strengthening bilateral relations. Our Prime Minister visited Iran in 2001. We had the honour

to welcome President Khatami as the Chief Guest at our Republic Day Celebrations last year. Our two National Security Councils have a regular dialogue. My Iranian counterpart was here in Delhi less than two weeks ago. Later this week, we will receive another important Iranian dignitary – Ayatollah Shahroudi, the Head of the Judiciary.

Ladies and gentlemen,

Jawaharlal Nehru wrote in his "Discovery of India" that few people have been more closely associated in origin and throughout history than the people of India and Iran. Today, we are engaged in exploiting the contemporary relevance of our ancient links. For this, it is essential that the new India and the new Iran understand each other in the full range of our political, economic, social and cultural aspirations and perspectives. It is equally important that we put this understanding in the context of the changing contours of the international environment. Seminars such as this one, particularly with its eminent participation list, contribute to this process.

My best wishes to you for a successful conference. I would like to assure you that the Government of India will follow with interest your deliberations and conclusions.

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194. Media briefing by Official Spokesperson on the visit of Iranian Foreign Minister Dr. Kamal Kharrazi to India.

New Delhi, July 26, 2004.

Official Spokesperson:… Essentially, I thought I would brief you on the visit of the Foreign Minister of Iran, Dr. Kamal Kharrazi. He has already met the External Affairs Minister Shri Natwar Singh, who also hosted a working lunch for him. Discussions carried on over lunch. This evening he is meeting National Security Advisor, Shri J.N. Dixit as well as calling on the Prime Minister. This morning the discussions were fairly wide-ranging as these are the part of the regular bilateral contacts that we have been maintaining with the Islamic Republic of Iran.

The purpose of the visit from the Iranian side was to establish contact with the new government in India and to take up threads in various areas of bilateral relations. The focus of the discussions was on cooperation in different fields which included primarily the energy sector, transit, trade and economic cooperation. In economic cooperation, of course, besides trade there is need for closer contact between the private sectors of both sides and in this context it was mentioned that India has offered a $200 million credit line which could be utilized by the two private sectors to mutual advantage. The transit sector came in for detailed discussions in the sense that the two sides talked of the North-South corridor, which would also enable India's goods to reach Central Asian markets. In this context particular reference was made and support was sought for the development of Chahbahar port, which we are helping to develop and which will help us to set up the infrastructure for transit trade through Afghanistan through the road from Zeranj to Delaram in Afghanistan.

It was felt that we need to have the 13th Meeting of Joint Commission between India and Iran which will discuss various aspects besides trade, science and technology, cooperation in agriculture and so on. On trade we have already made some progress. From a figure of $500 million some years ago, we today have a figure of $2.9 billion of two-way trade. Iran's exports are $1.6 billion and our exports are $1.3 billion. A large part of it is from the oil sector. Besides that other areas of focus are automobile parts, pharmaceuticals, Information Technology. External Affairs Minister also stressed on India's capabilities in Information Technology sector and how we could cooperate further with Iran in that field. So, we are looking towards

the Joint Commission Meeting towards the end of the year and that will be held in Delhi.

Besides these issues, of course, they also touched upon other regional issues. They touched on Afghanistan and developments there, and both sides looked forward to continuing to cooperate in various sectors in Afghanistan. There was support expressed for the present government in Kabul and there was concern expressed at the continuing challenge to security and the spread of narcotics. The two sides also expressed support for the empowerment of the people, including the development of national security institutions as well as other democratic institutions in Afghanistan. They agreed to cooperate in Afghanistan, as I said, particularly on the Zeranj-Delaram road, which will help our transit trade as I had mentioned.

Other issues that were discussed were tourism, and need to cooperate in that field, issue of visas particularly facilitation of business visas which would give a fillip to bilateral trade. Dr. Kharrazi extended an invitation to External Affairs Minister Shri Natwar Singh to visit Iran and this was accepted. The dates will be worked out to mutually convenient time. These are some of the details from this morning's meetings. The meeting was very warm, it was cordial, it focused on elements on which the two countries can work together…..

Question: Was there any discussion on the gas pipeline?
Answer: Well, that matter was discussed and it is going to be discussed further and studied further.

Question: On Iran, can you give more details about the North – South Corridor?

Answer: North – South corridor is an infrastructure project involving India, Iran and Russia. From our point of view it is aimed to enable our trade to go right across to Central Asia and to Russia. Similarly, for their goods to travel south to India. This involves road linkages, custom clearances, railway cooperation, right through…

Question: This involves the use of Pakistani territory?

Answer: I think I will get you a map.

Question: Any developments on North – South corridor?

Answer: There is already a project on the North – South corridor. This was discussed. It was thought that the two governments should work closely to make that a reality, which means we are working on the transportation sector – the railways, the link roads, the shipping links, the custom facilities, the port facilities – these have to be made into a reality wherever they are lacking.

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195. Press release of the Ministry of External Affairs on the visit of J.N.Dixit, National Security Advisor to Iran.

New Delhi, October 19, 2004.

Mr. J.N.Dixit, National Security Advisor, Government of India, visited[1] the Islamic Republic of Iran (October 17-19, 2004) at the invitation of Dr. Hassan Rouhani, Secretary of Supreme National Security Council. The visit is part of the ongoing and regular consultations between the National Security Councils of the two countries.

Mr. Dixit held discussions with his counterpart Dr. Hassan Rouhani, who had visited India in February this year. The two exchanged views on the enhancement and further consolidation of excellent bilateral relations. They reaffirmed the commitment of their governments to intensify cooperation in such sectors as energy, transit and trade leading to far reaching benefits for the entire region. They also exchanged views on regional issues including Iraq and Afghanistan. The Iranian side apprised Mr. Dixit of its efforts on peaceful uses of nuclear energy. Mr. Dixit invited Dr. Rouhani to visit India.

The National Security Advisor called on the President Hojjatoeslam Mohammad Khatami and conveyed greetings of Prime Minister Manmohan Singh. He also called on the Chairman of the Expediency Council Hojjatoeslam Ali Akbar Rafsanjani and Speaker Majlis Dr. Gholam Ali

1. The February 26th visit was the fourth in the series of visits for the on-going consultations between the Security Councils of the two countries. During that visit it was agreed to intensify further the cooperation in the energy and transit sectors. The Spokesperson of the MEA then had told the media that they had exchanged views on some regional issues including Afghanistan and Iraq.

Haddad Adel. Mr. Dixit also met the Foreign Minister of Islamic Republic of Iran, Dr. Kamal Kharrazi. The meetings were held in an atmosphere of warmth and cordiality that has always characterized the close ties between India and Iran.

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IRAQ

196. Media briefing by Spokesperson on UNSC Resolution on Iraq.

New Delhi, June 9, 2004.

Question: How does India look at the new UNSC Resolution on Iraq?

Answer: We welcome the unanimous adoption by the Security Council of the Resolution on Iraq. The role of the UN has also been unanimously accepted and we expect that the UN will play a central role in the developing situation in Iraq. We see the endorsement of the Interim Government of Iraq as the first step towards the transparent transfer of full sovereignty to the people of Iraq. The priority now should be to ensure an early return to conditions of security and normalcy for all the people of Iraq.

India has had a historic and long-standing relationship with the Iraqi people. We reiterate our commitment to assist Iraq in the arduous task of political and economic reconstruction.

* * * *

Question: Will the issue of Iraq and other issues like reports that India's peaceful nuclear programme should be put under scanner of IAEA be discussed?

Answer: I do not know which reports you are referring to but if you are asking me what the Minister will be discussing with his counterparts, I am sure that the two sides will take full opportunity to discuss bilateral relations, recent developments in bilateral relations, and matters of mutual interest which are on regional and international agenda.

Question: What is India's position on troops under the new UN Resolution*…inaudible…*would India now think that we should be part of the multinational force?

Answer: The question will arise if and when such a request comes from the UN itself or from a fully sovereign Government of Iraq.

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197. Speeches by Minister of Petroleum and Natural Gas Mani Shankar Aiyar and External Affairs Minister K. Natwar Singh in Lok Sabha during a discussion on the situation in Iraq.

New Delhi, July 6, 2004.

The Minister of Petroleum & Natural Gas and Minister of Panchayatiraj (Shri Mani Shankar Aiyar) : Mr. Deputy-Speaker Sir, I think, in very large measure the Treasury Benches would share the sentiments and concerns expressed by Comrade Vasudevan Nair. We fought shoulder to shoulder from the Opposition Benches during the run-up to the IRAQ War and in the immediate aftermath thereof. Therefore, as far as the past is concerned, I think Comrade Vasudevan Nair can rest assured that we were with him then and we are with him now.

But I think, the need today is not so much to look to the past as to look to the future for whatever happened in Iraq, however unfortunate it was, these are events that have happened, that have become part of an ineradicable history.

It is from the debris of this past that we have to ensure that phoenix-like IRAQ rises again from the ashes. Sir, I think there is cause for some satisfaction. It is there I am finding it a little difficult to share Comrade Vasudevan's scepticism about the United Nations. At the end of the day, our world order depends upon an institution like the United Nations and upon the Charter of the United Nations. I think it will be fair to say that the Resolution passed last month constitutes the expression of a consensus point of view of the international community as a whole, and that although all Member States of the United Nations are by no means Members of the

Security Council either in a temporary or in a permanent capacity, the general welcome that has been given by the Member-States of the United Nations to this latest Security Council Resolution demonstrates, I believe, the relief of the international community that the United Nations has once again been made relevant to the conduct of international affairs. Indeed, Comrade Vasudevan would recall that in order to arrive at this consensus Resolution, all the Permanent Members of the Security Council had to discuss these matters at very great length, with differences among them being part of the public discourse, and arrive at a compromise which would not have satisfied any one Member of the Security Council but which did constitute a consensual view of the Security Council as a whole, both the Permanent Members as well as the temporary members. In view of this, I think, the starting point of our discussion today should be less the very unfortunate events of March-April, 2003, than the more welcome developments that date back a few weeks. When one looks at it in this perspective, I think, first, I would, as the Minister of Petroleum, tend to look upon what are the prospects in the oil sector.

Sir, I am happy to report to this House that my Ministry has offered to the Iraqis in the sector of the economy that matters most to the Iraqis, the oil sector, training facilities, where what our institutions are able to offer is substantially more than, perhaps, the institutions within Iraq, as they are today; are able to offer, and, I assure Comrade Vasudevan, exactly as good as, and probably superior to, any training they can receive anywhere in the world - OPEC countries, developed countries and other Asian countries, we are at the top; and, in an area that matters enormously to Iraq, and in matters where we have got special expertise, we have already made our offer. The Iraqi authorities are examining who are the candidates they wish to select to send to India for these important courses and, when we welcome them here, I hope our friends from the Left will agree to join me in talking to these engineers and, perhaps, discovering not only what is the situation in IRAQ from the Iraqis themselves, but also seeing how, through them and with their assistance, their cooperation, their goodwill, we can move forward in this sector.

Sir, there is another very important matter, for us in the oil sector, which I think it would be my duty to share with the House. That is that we do have an offer from the Iraqi authorities to undertake exploration, and ultimately exploitation, to the benefit of India as well as to the benefit of

Iraq, of certain oil reserves in the southern parts of the country near the Basra region. I mention Basra only because it is a very well - known town for us. It is fairly close to the Kuwait border. It appears to us from our preliminary investigations that this block is potentially a very remunerative block.

We are waiting for the law and order, the security situation in that area to improve a little before we can risk sending our people there and beginning this work. But it is, I think, a measure of continuity in the Iraqi administration, notwithstanding the traumatic events of the last few months, that such an important bilateral matter between India and IRAQ has remained unaffected by the developments of recent times.

Sir, with regard to the purchase of crude, ever since restrictions were placed on the export of crude from Iraq, few countries have suffered the consequences more than we have. IRAQ has always been a very important source of our imports of crude and there was a time when, under an arrangement with the Soviet Union, we were purchasing the crude physically from IRAQ but the payment for it was made in arrangement with the Soviet authorities because in principle under rupee trade we were purchasing it from the Soviet Union even though physically it was coming in from Iraq. So, in that very critical period that followed the decision of OPEC in 1973 to substantially increase the prices of crude, it was IRAQ that came to our rescue and enabled us in this arrangement with the Soviet Union to purchase very large quantities of crude but paying for it in rupees to the Soviet Union. This was in addition to what we purchased directly from the Iraqis. It was my privilege. Sir, at that time, to serve as a diplomat in Iraq. I had two years two months and two days in that country and I really grew to love those people because there was such warmth in them, such sincerity of sentiment in their attitude towards India that one had to search deep into history and civilization to discover the roots of this warmth. Let us not forget that our relationship with IRAQ goes back to Babylonian times to Sumerian times when there was trade between that part of West Asia and the area that generally we now refer to as the birthplace and the home of the Harappan culture. And it is that ancient relationship, the relationship between too very long old civilizations that has animated the relationship between today's people of India and today's people of Iraq. That is where the warmth lies. It is, therefore, for us to go back to that warmth. When I was posted as the Commercial Counsel or and Deputy Chief of Mission in IRAQ about a quarter

century ago, there were explicit orders given by the IRAQ Government that, other things being equal, preference should be accorded to India in the import of goods as well as in the award of contracts. The consequence of that was that between about 1975 when we obtained our first contract till the war with Iran started, the number of our construction contracts there exceeded 100 and we were talking not in terms of tens of corers of rupees, we were talking in terms of thousands of corers of rupees and co-operation with the country. It is evident to me from the experience of those days that when the reconstruction of IRAQ begins in real earnest, there are going to be enormous opportunities for India to participate in the constructive activity of re-building Iraq to the glory which it had and which it deserves to have again.

Also, Sir, 25 years ago, in almost every single Iraqi Ministry of substance we had Indians invited by the Iraqis to work there as experts and to help them in building their country. We were there as traders, we were there as builders and we were there as experts. One instance that comes to my mind is Instrumentation Limited, a public sector organisation here going in to assist the Iraqi Cement Company, providing them with instrumentation, and their being so impressed with the work that we had done, that we built up, that the contract got extended to a large number of industrial units in IRAQ who are using Indian instrumentation.

Sir, in the land of Mesopotamia, which means the land between the two rivers, the first company to sell ground water drilling rigs and discover water for them in this Mesopotamian region was Voltas. It was we who had the pride of doing that. We were involved in repairing and restoring their railway lines. We were involved in the construction and running of the steel mill too, near Basra, which is now, unfortunately, no more there because it got bombed. There were also some instances where we were not involved with very great distinction because in Basra once I complained about the quality of the air-conditioning and the hotel Manager said to me, “We are not at fault, it is an Indian company that put in the air-conditioning !” Soothe relationship was truly multifaceted, but I would say that in contemporary Iraq, what brought us very, very close to them was their deeply ingrained belief in secularism as we understand secularism. There was no distinction made in terms of discrimination between people of different communities. There was an attempt to ensure that Armenian Greek Orthodox Christians could have exactly the same rights as a Sunni Muslim in the country. They

were the ones who respected and really honoured a site in Baghdad where Gum Nanak is supposed to have sat when he was returning from Mecca and meditated. Till today they treated it with the utmost respect.

In places like Najaf and Karbala, it was one of the duties of the Indian Embassy to administer a fund that had been put in place by the Nawab of Rampur before Independence to provide financial assistance to Shias of Indian origin who, for reasons of religion, were living in Najaf and Karbala. One of the duties I had was to go there and distribute the money among those people.

So, when one looks at the depth of the relationship, the variety of this relationship, its economic dimension, its human dimension and its dimension in international relations where IRAQ was one of the strongest voices in the Non-Aligned Movement, where, shoulder to shoulder, Iraq and we fought many a battle in the United Nations and in the Non-Aligned Movement, we look forward to the day when we can restore that relationship in the 21st century context, because, after all, some of the things that we fought and did together are no longer as relevant as they were once. New challenges have come before us, and in facing these new challenges, I do not think there can be any dispute between Comrade Vasudevan and ourselves that, in the preservation of the independence of countries, the prevention of colonialism and imperialism in any form, any garb, in co-operating to bring the developing countries to the fore, in giving sovereign nations sovereign rights over their natural resources, in co-operating in order to bring about an Asian resurgence - in all these, we are going to share with IRAQ as we shared with IRAQ in the past.

But during a transitional period, I do not think it would help us to be passing value judgements on personalities who might well be figures of significance in the IRAQ of the future. So, we would prefer to work with those who are there within the framework of the Resolution of the United Nations. We see that there is a process of restoring sovereignty to the people of Iraq, that is underway. We believe that there are still steps to be taken in that direction, and that while a measure of sovereignty has been restored to the people of Iraq, full sovereignty, which is the goal, must be one that is pursued with all deliberate speed.

There is a roadmap relating to the dilution and eventual withdrawal of the external political authority and there is a less clear roadmap about

the dilution and eventual withdrawal of the troops. But it is clear that the Iraqi people, sooner rather than later, perhaps as soon as the end of this year but more likely sometime during the course of the next year, would have an opportunity of exercising their democratic franchise to choose the next government. When they do that it is they who would decide how the remaining non-Iraqi troops are to conduct themselves or not have a role in the affairs of Iraq. So, I see an optimism in the situation in July, 2004 here in this House which was markedly absent when the Left and we together fought for this Resolution shoulder to shoulder. ... *(Interruptions)*

* * * *

The Minister of External Affairs (Shri K. Natwar Singh): Sir, I have listened with very great respect and very great interest the discussion initiated by Shri P.K. Vasudevan Nair.

The Seventh Non-Aligned Summit was held in Delhi in March, 1983. Shrimati Indira Gandhi was the Chairperson and it was my honour to be the Secretary-General of the Seventh Non-Aligned Summit. So, I am aware of the Non-Aligned Movement, what it stood for, what it stands for and what it needs in the 21st Century. But we are not discussing the Non-Aligned Movement, we are discussing Iraq.

First, in the Resolution that was passed by the Security Council on the 8th of June, here were five permanent members. America, China, Russia, France and Britain, these five permanent members voted for it. The non-permanent members who voted for it are Germany, Pakistan, Spain, Angola, Chille, Algeria, Romania, Philippines, Brazil and Benin. These countries represent a cross section of world opinion. The Resolution was welcomed by the international community and by us for the simple reason that the United States and the United Kingdom, who for all these months and years had been bypassing the United States Security Council and going unilaterally into Iraq, have come back to multilateralism. It is not an insignificant event. We have been successful in canvassing them. Although we are not in the Security Council, still our PR there has been emphasising along with our friends that the only course to go into IRAQ is through the United States Security Council and that is now happening.

Now, a number of issues were raised. First I would like to say something about my young colleague Shri Omar Abdullah for whom I have

very great affection and very great regard because, I think, he has a great future. One day, probably, he will end up doing the job I am doing now.

The Iraqi national oil companies own all the Iraqi assets. Our training is meant to increase this skill. Contracts for Block No. 8 near the most productive Romalia field was signed when Shri Omar Abdullah was in Government as a Minister of State. We intend to pursue this because energy security for us is paramount.

The other thing was the contract. We are not getting contacts for the simple reason that we are not supplying troops. Now, I have been hauled over the coals for what I am supposed to have said in Washington.

Now, Sir, you must have that much confidence in me that I have spent 51 years dealing with international affairs, that I understand the sources of the inspiration for India's foreign policy and the framework put through by Pandit Jawaharlal Nehru, not in 1947, not even at the Haripura Congress in 1938 but in 1927 when he went to the Brussels Conference to represent the AICC there and from then he thought what would India's foreign policy be. So, I am brought up in that tradition. To expect me to make any compromise is to be grossly unjust to me and for the services that I have rendered to this country in good faith. The question of India sending the troops to IRAQ does not arise.

How was the resolution of Parliament in the last Parliament passed? We did our best to have it passed in the Monsoon Session; with their dilly-dallying tactics, eventually we were able to pass it. I was spearheading the move for having a unanimous resolution condemning the war in IRAQ and not sending any troops.

Now, here is the history of what happened. On May 27, 2003, the Indian Ambassador in Washington was called by Under Secretary of Defence Douglas Feith and asked for contribution of troops to the Stabilization Force in IRAQ under US command. On May 28, 2003, the Defence Advisor to the Indian Mission in Washington was informed by the Office of US Joint Chief of Staff that Northern Sector in IRAQ could be the responsibility of India. On May 28,2003, the US Embassy in Delhi tells the Ministry of External Affairs (JS-USC) that CENTCOM was sending a delegation to four or five countries immediately (end of May) and could visit India to discuss the operational details of a possible Indian contribution.

The visit to India did not take place, as we could not give a response immediately. On June 3, 2003 Defence Secretary Ronald Rumsfeld writes to Raksha Mantri asking for a division size force.

Now what happened? On June 5, 2003 Shrimati Sonia Gandhi wrote to the hon. Prime Minister, Shri Atal Bihari Vajpayee that 'we hear that your Government is considering sending troops to Iraq; this cannot be done unless all parties are consulted and unless there is a national consensus and that these troops will be under the U.N. flag'. It was then and then alone that a decision was taken to tell the Americans. When was it? On July 14, 2003 the Cabinet Committee on Security meeting decides that were there to be an explicit UN mandate for the purpose, the Government of India could consider the deployment of troops in Iraq.

This is the history of it. After this, we passed the unanimous resolution in both Houses of Parliament. The Congress Party can take a lot of credit and all of you can take a lot of credit that the resolution was passed in spite of the reluctance of the Government to do so. That is the background.

Let me come to what is happening now in Iraq. It has been mentioned several times about the trial of former President Saddam Hussein. Now, in the trial, at present the charges are being framed under the Iraqi criminal law dating from the days of the former President Saddam Hussein's regime. The trial judge was appointed under former President Saddam Hussein's regime. I am using the words 'former President' and I am not derogating him. I am taking his name. He is the former President.

The tribunal is yet to be formed and will be guided by international humanitarian law practiced in Iraqi national law with defence authorities involved. We will continue to monitor this development and keep the House informed.

Now, let me come to the substantial part of it. What does the resolution say? It was passed on the 8th of June. The roadmap for political transition in Iraq, as envisaged under the United Nations Security Council Resolution 1546, which I told you has been approved by five permanent members and 10 non-permanent members including Pakistan and Algeria, is as under.

First, assumption of full responsibility/authority by the Interim Government of IRAQ by 30th June, 2004. This happened on 28th of June. Two, end of occupation by June 30, 2004. It actually took place on June 28,

2004. Three, convening of National Conference expected to take place in July-August, 2004. Four, holding of direct democratic elections and formation of transitional National Assembly by 31st December, 2004 and in no case, later than 31st January, 2005. Fifth, formation of transitional Government. Sixth, drafting of permanent Constitution. Seventh, referendum and endorsement of the Constitution. Eighth, election for a Government under the Constitution by 31st December next year. This is the factual position. I have a copy of the resolution with me. It runs into several pages and goes into very great details about what is to happen.

Now, I want to place before the House that, as I said, nobody has asked us for troops. If asked too, the answer will be : India will not send troops. That should be made clear in black and white right here. It was never the intention. I was in America when I saw this whole thing on internet. The reaction to what I said battered me. So, I rang up Comrade Surjeet. At least, he must have that much confidence in me. I have been doing this for the last 50 years.

Now, there is a resolution of the Security Council for which we have been asking. We have been asking that the United States and the United Kingdom should not act unilaterallyand should go through the multilateral route. This is happening and this is the first step. So, where does the question of our sending troops arise? There are today in the world 1.3 billion Muslims and 56 Muslim countries exist in United Nations. India has a record of having friendly relations with all these Islamic countries. We cannot, in any way, under-estimate the feelings of the Islamic world. I have served in Pakistan. So, I know something of it. I know something about the history of this movement. The psyche of the Islamic world has been hurt from Mauritania to Medan in Indonesia. The world has to come to terms with it.

A reference was made here to the disintegration of the Soviet Union. It is a political earthquake, the consequences of which have yet not been fully analysed. The world has not come to terms with the absence of Soviet Union because with the disappearance of the Soviet Union, an alternative point of view from the world has disappeared and no replacement has taken place. It is a role that India, China, Russia and other friends can play and should play. This is the endeavour. This is what we have said in our Common Minimum Programme. This is what our policy is going to be.

Sir, to assume that any compromise will be made on an issue like

sending troops to Iraq, to me, is inconceivable. If Members should have any doubt that this would be done, this is what distresses me. We are dealing with a very complicated situation. I am a member of a coalition Government. Whatever decision we have to take, we have to take our coalition partners with us, we have to take you with us, we have to take both Houses with us, we have to take the nation with us. This is the pride of India's Foreign policy, the framework for which was laid down by Pandit Jawaharlal Nehru, which stands today.

The international agenda has changed. The problems 30 years ago were imperialism, apartheid and colonialism. Today, they are AIDS, terrorism, poverty, health, population control and financial matters. The international agenda has changed. So, we do not run a static or sterile Foreign Policy. We run a Foreign Policy which is responsive to the requirements, demands and aspirations of the people of the 21st Century.

Therefore, to say that the Non-Aligned Movement has become irrelevant is not true. Do not mix up Non-Aligned Movement with non-aligned. India was non-aligned from 1947 to 1961, when the Non-Aligned Movement was founded. So, when you say that we are departing, we are not departing from this. We are being realistic. As asked the other day, in Jakarta on my talks with Kasuri Saheb, whether you are optimistic or pessimistic, I said : "I do not talk in terms of pessimism or optimism." We have to be realistic about these things. We live in a complicated world, and this is a complicated situation. We are living in a situation were one super-power is the most powerful, but that super-power today has decided to go through the United Nations Security Council with unanimous support.

Now, Sir I will — with the permission of the Chair — read out a statement that I have prepared. I thought that it was my duty to answer the questions raised by the hon. Members. They are fully entitled to it. *I understand your feelings. An Indian External Affairs Minister would not survive on emotions alone; because I occupy that chair which was once occupied by Jawaharlal Nehru. I don't know what is it that I did to be rewarded with this Chair. (Original in Hindi)* Do not for a moment think that I will compromise on any issue relating to India.

The situation in IRAQ has been evolving rapidly, and the last one month alone witnessed such significant developments as the formation of interim Government, the passage of Resolution 1546 by the UN Security

Council, and the transfer of authority and sovereignty to the interim Government by the Coalition Provisional Authority (CPA). This was in accordance with Resolution 1546 and the dissolution of the CPA. The new Government of Iraq under an interim President, Prime Minister and the Council of Ministers took oath of office a week ago.

Now, we already have an Ambassador in Iraq. We have had an Ambassador in IRAQ for the last two years, and other Embassies are being opened there and other countries are also going there.

The UN Secretary-General played a central role in the formation of this Government. A year and a half ago the UN Security Council was totally ignored, and they had to go back. Mr. Kofi Annan played a central role for the UN to have a role there. His Special Advisor Mr. Lakhdar Brahimi of Algeria was also a key player. Mr. Lakhdar was able to have a Conference on Afghanistan in Bonn and made it possible for the transition to take place. So, Mr. Lakhdar Brahimi, who comes from Algeria, was also deeply and daily involved in the process of the Resolution being adopted unanimously.

Resolution 1546 provides a timetable for the political process that will culminate in the establishment of a constitutionally elected Government by December, 2005. The United States and the United Kingdom are also signatories to this Resolution. There is no going back. Resolution 1546 was passed unanimously by all the members — permanent and non-permanent — of Security Council endorsing the interim Government as a sovereign body and Iraqi people's right to freely determine their own political future and to exercise full authority and control over their financial and natural resources. The Resolution also provided for a Multinational Force in IRAQ at the request of the interim Government. The mandate of the force will end up on the completion of the political process by December 31, 2005. Its mandate could end earlier if so requested by the Government of Iraq.

The unanimous Resolution passed by the two Houses of the Indian Parliament on April 8,2003 continues to provide direction to our policy towards Iraq.

Mr. Deputy-Speaker : Mr. Minister, please wait for a moment. If the House agrees I will extend the time of the House till the hon. Minister finishes his reply.

Several Hon. Members: Yes, Sir.

Shrik. Natwar Singh : Thank you, Sir.

Within the framework of this Resolution, we always emphasised the need for an early restoration of sovereignty to the Iraqi people, the right of Iraqi people to freely determine their political friture and control their natural resources and a vital role for UN in the transitional process and political and economic reconstruction of the country. It is in this spirit that we welcome the Security Council's Resolution 1546 as a first step towards transfer of authority to the Iraqi people. This is not an ordinary achievement considering the fact of what the world reality today is.

India is vitally interested in the peace and prosperity of the Gulf region. Lakhs and lakhs of Indians live in that part of the world. They are doing a great job and they are earning us a great name, *sending usforeign exchange. The entire economy of Kerala is dependent on them. I am going to Kerala on 9th or 10th. There is some problem there. Our stakes are so high that we have to keep an eye all the time. (Original in Hindi)*

A stable and peaceful IRAQ is essential for the larger stability of the region and the world. India has close and friendly relations with the people of IRAQ and is firmly committed to assist the people of Iraq in their humanitarian and reconstruction efforts. In my letter of 2nd June to Foreign Minister Hoshiyar Zibari of Iraq, I have reiterated our basic policy of assisting Iraqi people and our deep commitment to support efforts in this regard. That is the policy of this Government.

We have committed US 20 million dollars for assistance to the Iraqi people. As part of this assistance, we have arranged for distribution of milk powder to Iraqi children through the World Food Programme. We ran training courses in India for Iraqi diplomats at our Foreign Service Institute and Iraqi officials in information technology at the National Institute of Information Technology. We will be training Iraqi Oil Ministry officials in upstream and downstream units in India and nominations from IRAQ are awaited. We have conveyed our interest to IRAQ in fully rehabilitating a hospital and providing specialised medical facilities at the holy city ofNajaf, should the security situation permit. We have offered our support and experience to the political process in the development of the Constitution, electoral process, census and vote registration because nobody has the kind of experience that the Election Commission of India has in running elections on this vast scale — there is no parallel in history — for a democracy of one

billion people. We are breaking new ground and we would like to share our experience with the people of Iraq. We have offered assistance in human resource development in priority areas of power, transport and communications, pharmaceuticals, education, water and sanitation, information technology and development of small and medium enterprises. The offer was made at the International Donor Conference in Abu Dhabi in February this year and reiterated in Doha Conference in May. IRAQ has appreciated the gesture and has already availed of our facilities in information technology for training of their officials. With Iraqi Ministries becoming totally free of control of the Coalition Provincial Authority on 28th June, we anticipate a higher level of interactions in this regard. We intend to pursue the matter in accordance with Iraqi requirements. In response to Iraq's request, we have resumed provision of 30 annual scholarships for Iraqi nominees in higher education and doctoral degrees and the ITEC Programme of the Ministry of External Affairs is open to the Iraqi trainees. We participated in the International Donors Conference on IRAQ held in Madrid in October 2003 and pledged an amount of US 10 million dollars to the two Iraqi Trust Funds set up by the UN Development Group and the World Bank respectively for reconstruction of Iraq. As members of the IRAQ Donors Committee, we have participated actively in its meetings in Abu Dhabi and Doha. India is the only non-oil developing country to become a member of Iraqi Donor Committee which is expected to help in supervising Iraq's economic reconstruction. I would like to reiterate that the question of sending Indian troops to IRAQ does not arise. The unanimous resolution of this august House passed on 8th April, 2003 continues to guide the position of the Government. We took into account a number of relevant factors such as ground realities, development of political process, role of the UN, public perception in IRAQ and of Iraq's neighbours, national sentiment in India and capacity to spare our troops for Iraq. Accordingly, we have decided not to consider any troop deployment in Iraq. This will continue. I must clarify

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1. Next day on July 7th Prime Minister Manmohan Singh intervening while the Lok Sabha was seized of a question on "Sending Indian Troops to Iraq", said:
"Mr. Speaker, Sir, in matters relating on the country's foreign policy,it will be the effort of our Government to work on the basis of broadest possible consensus. We do not wish to divide this House or the country on sensitive issues. As far as the policy on Iraq is concerned, there is a Resolution of Parliament to which all of us are parties, and if there is any time to look at other issues, we will undertake maximum possible consultations with various shades of opinion represented in Parliament. So, as for now, there is no change in that policy. There is no proposal to send Indian military in Iraq...." (*interruptions*)

that India has not been approached recently for deployment of troops in Iraq.[1]

The Government also share the concern expressed at Indians working in Iraq. There are: in Baghdad 580, in Basra 98, in Falluja 190, in Tikrit 533, in Najaf 88, in Karbala 76, in Al Hilla 166, in AI-Quds 100, in Baquba 140, in Al Nasiriya 67, in Mosul 353, in Balad 51. Some Indian ex-servicemen recruited by private agents went to IRAQ reportedly for work on static watch and ward duties. In addition, a number of Indians have been misled by unscrupulous recruiting agents and found their way unwittingly into IRAQ for employment. Our enquiries indicate that none of them are in the direct employment of the Coalition Forces. As per our information, all of them are employed in non-combat and civilian jobs. They are employed by private contractors who have been hired by the US Government for rendering various support services such as maintenance of buildings, laundry, kitchen and dining facilities and watch and ward civilian duties at their bases in Iraq. We have given clear instructions to our Missions in the Gulf countries, and particularly in IRAQ and its neighbours, to extend all possible assistance to them to return to India. Emigration clearance for IRAQ is now suspended. This will continue. The suspension of emigration clearance applies to ex-servicemen also not only in respect of IRAQ but also for Iraq's neighbouring countries Kuwait, Jordan and UAE in order to prevent misuse of emigration clearance to these countries for entering Iraq.

I would like to refer to the Press reports about the 18 Indians recruited - Dr. Karunanidhi wrote to me about this and I have replied to him, and I will just share this within the House - by a private firm ostensibly for employment in Jordan, but diverted to IRAQ and placed at a US facility near Falluja from where they wanted to return to India. Ten of them left IRAQ on 2nd July and the remaining eight left Iraq yesterday. We are advised by our Embassy in Baghdad that all the 18 Indians stranded in Falluja have left Iraq. I would like to clarify that Indians working in IRAQ are spread through the length and breadth of the country. Given the prevailing situation, it may not be possible for them to reach out to our Embassy in Baghdad for assistance. The Embassy in Baghdad has been instructed to establish contacts to the maximum extent possible with the Indians located in various parts of IRAQ so that other cases of Indians wanting to return to India are handled expeditiously. Our Missions in Iraq's neighbouring countries have been asked

to establish contact with the employers who may have sent their Indian workers to IRAQ on service contract with a view to ensure their safety and well being and return to India.

We are extremely concerned at the violation of the sanctity of religious places in IRAQ that are revered by millions and millions of people all over the world including India. We emphasised the imperative need to respect the sanctity of places and for all concerned to refrain from any activity that would cause damage or desecrate the places of worship.

We share also the concern at the abuse of Iraqi prisoners by elements in the Coalition Forces particularly the inmates of the Abu Ghraib Jail. There can be no condoning of such heinous acts. The US Senate Armed Forces Committee has condemned the brutalities and indecent acts perpetrated by the US soldiers. Like the rest of the world, the Government considers the ill treatment or abuse of Iraqi prisoners abhorrent. We have noted the regret expressed at the highest level by the USA and UK and the intentions of their Governments to take corrective and punitive steps through their military, administrative and legal system to prevent recurrence of such inexcusable practices. These violate human rights and humane behaviour.

In concluding I would like to reiterate that the relations between the peoples of India and IRAQ have been historical and close. We look forward to their assuming full and real sovereignty over their destiny as early as possible. We hope that it will inform the evolution of the political process underway so as to meet the aspirations of the Iraqi people as a whole. We have conveyed our good wishes to the Interim Government of IRAQ in its task of addressing the urgent issues of security and stability so that relief and reconstruction can proceed apace with the political timetable. India will continue to extend the fullest assistance to the economic and political reconstruction of Iraq.

I appreciate and value this timely discussion and debate today in this House and I thank all the hon. Members.

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ISRAEL

198. Joint press conference by External Affairs Minister Yashwant Sinha and Israeli Deputy Prime Minister & Foreign Minister Silvan Shalom.

New Delhi, February 10, 2004.

Official Spokesperson: To begin the interaction, I request His Excellency External Affairs Minister of India to make his opening remarks.

Mr. Yashwant Sinha: Thank You Navtej.

Friends, I am very happy to welcome H.E. Mr. Silvan Shalom, the Israeli Deputy Prime Minister & Minister of Foreign Affairs of Israel on his first visit to India. As you are aware, our two nations are two ancient civilizations and modern democracies. We share a number of cherished values.

This visit takes place at a juncture that is important in our bilateral relationship as well as in the global contexts.

Bilaterally, India and Israel are in the second decade of their relationship and our ties have been witnessing all-round growth. Apart from impressive growth in trade and economic relationship, we have been able to expand rapidly in such diverse sectors as science & technology, culture, defence as well as people-to-people contacts.

Deputy Prime Minister and Foreign Minister's visit to this country follows the State visit of H.E. Mr. Ariel Sharon, the Prime Minister of Israel exactly five months ago. The two countries have also held their Joint Trade and Economic Committee meeting last month in Israel for which Shri Arun Jaitley, Hon'ble Minister of Commerce & Industry, had visited Israel. I am confident that these bilateral interactions would go a long way in providing political underpinning to our friendship and promote mutual understanding.

The bilateral discussions that we have just completed were extremely useful. We had a comprehensive and cordial exchange of views. This has given, each of us, a fuller understanding of the other's policies. It has also highlighted the close identity of our views on important issues such as terrorism. We have shared our assessment on developments in the Indian

subcontinent as well as in West Asia. India hopes for the early return of a just, comprehensive and durable peace in the region.

At the end I am only sorry to note that like Prime Minister Sharon, the Deputy Prime Minister also has been compelled to curtail his visit by a day but I am very happy that he was able to visit Mumbai and he found time to visit Taj Mahal.

Official Spokesperson: I now request Hon'ble Deputy Prime Minister and Foreign Minister of Israel to kindly make his remarks.

Mr. Silvan Shalom: It is a great pleasure to be here on my first visit to India, and I would like to open by thanking my colleague, Foreign Minister Yashwant Sinha, for his warm reception.

We have just concluded a friendly and constructive meeting in which we discussed a variety of subjects concerning the relations between our two countries, as well as international issues that impact on peace and security in our region and in the world.

Israel views India as a friendly country, and one, which plays a role of prime importance in the world and in Asia.

As democratic states and societies, India and Israel share the belief in the values of democracy and freedom. These beliefs find expression in our policies and in the way we both deal with national challenges coming from within and without.

Terror is an enemy which threatens our common values and our shared way of life. Together with the international community and as victims of terrorism, Israel and India are partners in the battle against this enemy.

As we begin the second decade of diplomatic relations with India, Israel aspires to expand our excellent and friendly ties in all fields and to bring their great potential to fruition for mutual benefit. In this context I am pleased to announce that Israel will shortly reopen its consulate in Mumbai. A step, which, I am sure will give a new impetus to our important and growing ties.

Israel has been following with appreciation the efforts of Prime Minister, Atal Bihari Vajpayee and his government to promote peace, security

and stability in South Asia.

My host Mr. Yashwant Sinha has briefed me on the latest developments in this regard and I welcome the progress that is being made.

India's economy has also made impressive progress in the last few years and we have discussed ways to further promote the economic relations between us in various fields.

I, of course, used the opportunity of this meeting to brief the External Affairs Minister Mr. Sinha on Israel's policies, our efforts to achieve peace with our neighbours and our positions on issues regarding Israel's relations with the Palestinians and with other Middle East countries.

While Israel is determined to continue its uncompromising fight against terrorism, the Government of Israel is also faithfully pursuing every genuine opportunity to advance political arrangements that could lead to a lasting peace in our region, a peace that would bring prosperity and renewed hope to all the peoples in the Middle East.

With the help and support of key players in the international community, such as India, I am confident that we can achieve these important and shared objectives.

Thank you for your warm hospitality and I would like to tell you that I have invited my colleague the External Affairs Minister Mr. Yashwant Sinha to visit Israel. This is my first visit to India but I found out that Mr. Sinha has not visited Israel. I believe this is the appropriate time to invite you as our guest of honour in Israel.

Mr. Yashwant Sinha: Thank you. Before Navtej takes over, I am very glad to accept this invitation in principle. We will work out the dates for the visit of the External Affairs Minister of India to Israel through diplomatic channels.

There is something else that I share with the Deputy Prime Minister. We both were also Finance Ministers and we exchanged places as the External Affairs or as Foreign Affairs Ministers. We went to Finance before we came to External Affairs.

Question: This is about newspaper reports about the possibility of Al-Qaeda getting nuclear weapons. Against the backdrop of whatever has happened in Pakistan of late and General Musharraf's pardon to Dr. A.Q. Khan[1], do

you think whatever happened in Pakistan is an internal matter of Pakistan and does it not require international community's intervention?

Mr. Silvan Shalom: We are of course very much concerned about the proliferation and about the possibility that an extreme organization like Al-Qaeda will have the access to nuclear weapons. It will destabilize the entire world and we should work together in order to put an end to their efforts to achieve such kind of nuclear weapons. We believe that it is a global threat and we, all the democracies around the world, should do everything we can in order to disarm all of those tyrannies, all of those regimes, which would like to bring destruction to their enemies or their neighbours. We should do it against states, countries and organizations.

Question: You spoke about states and non-state actors. The government of Pakistan, I mean Abdul Qadeer Khan is very much a part of Pakistani establishment, so should military action be taken against Pakistan?

Silvan Shalom: We have enough military actions against others, so we are not looking for other countries. We believe that it should be solved and, of course, we are very concerned about this new information. We would do it with our friends among the international community.

Question: My question is to Mr. Sinha. You said that India and Israel share same values, threats...(inaudible)...Israel is building a security fence…(inaudible)

Mr. Yashwant Sinha: We have dealt with this issue in the United Nations according to our best judgement. The only thing, which I would like to tell you at this point of time, is that we will continue to deal with this issue according to our best judgement.

Question: …(inaudible) (related to security fence)

Mr. Yashwant Sinha: I have shared my views with the Deputy Prime Minister.

Official Spokesperson: Thank You, Excellencies, for this opportunity and thank you everybody.

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1. Pakistani nuclear scientist and head of Pakistan's nuclear programme, who was accused of proliferation of nuclear technology to various other countries for a consideration.

199. Joint press statement issued at the end of the 8th round of Foreign Office Consultations between India and Israel.

New Delhi, November 17, 2004.

The 8th round of Foreign Office Consultations between India and Israel was held in New Delhi on 16th November 2004. The Indian delegation was headed by Mr. Rajiv Sikri Secretary (East). Ministry of External Affairs. Ambassador Amos Nadai, Deputy Director General (Asia & Pacific), Ministry of Foreign Affairs, led the Israeli delegation.The two sides had a wide-ranging and constructive exchange of views in the spirit of friendship and mutual understanding. The discussions included a review of bilateral, regional and multilateral issues as well as ways to further enhance bilateral relations in diversified fields such as economy and commerce[1], agriculture, culture, science and technology and people to people contacts. Both sides exchanged views on steps needed to achieve peace in the West Asian region.

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1. At the India - Israel Business Conference held in New Delhi on December 8, 2004 it was decided to set a target of bilateral trade of US $ 8 billion in three years. At the Conference Indian Commerce Minister Kamal Nath indicated that during the year 2004 the bilateral trade should comfortably cross the two billion mark. It was also decided to set up a Joint Study Group for a comprehensive economic partnership between the two countries. This was announced by Indian Commerce Minister at the Business Conference. The Israeli delegation at the Conference was led by the Vice Prime Minister of Israel Ehud Olmert who also headed the Ministries of Industry, Trade, Labour and Communication. The Vice Prime Minister described the decision to set up the Joint Study Group as a "major breakthrough" and "an important first step" which would lead to closer economic partnership between India and Israel covering a wide range of sectors of interest to both the countries. The Business Conference was held under the auspices of the Federation of Indian Chambers of Commerce and Industry.

200. Press release of the Ministry of External Affairs on the Fourth Meeting of the India-Israel Joint Working Group on Counter Terrorism and First Round of Consultations on Disarmament Issues.

New Delhi, December 2, 2004.

The fourth meeting of the India – Israel Joint Working Group (JWG) on Counter Terrorism was held in New Delhi on November 30 – December 2, 2004, back to back, with the First Round of Consultations on Disarmament issues.

The Indian delegation was led by Ms. Meera Shankar, Additional Secretary (UN) in the Ministry of External Affairs. The Israeli delegation was led by H.E. Mr. Jeremy Issacharoff, Deputy Director General for Strategic Affairs, Israeli Ministry of Foreign Affairs. Both delegations included representatives of relevant Ministries and agencies.

Both sides reaffirmed their unequivocal condemnation of all acts of terrorism. They reviewed the global campaign against terrorism and discussed ways and means by which the fight against terrorism by the international community can be made more effective and how India and Israel can contribute to this. They were of the view that recent resolutions of the UN Security Council, particularly UNSC resolutions 1373, 1540 and 1566, provide a valuable framework for strengthening cooperation against terrorism in the international arena. They also discussed issues, such as border security, terrorism finance, terrorist use of anti aircraft missiles and WMD terrorism.

India and Israel agreed to build on the JWG activities and expand inter sessional exchanges in specific professional areas. The next session of the JWG is expected to be held in Israel in the spring of 2005.

In the talks on disarmament issues, India and Israel exchanged views on current issues on the global agenda and decided to continue the dialogue in future.

The Israeli delegation called on Shri Satish Chandra, Deputy to the National Security Adviser and Shri Rajiv Sikri, Secretary (East) in the Ministry of External Affairs during their stay in Delhi.

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JORDAN

201. Media briefing by Official Spokesperson on Minister of State E. Ahamed's visit to Jordan.

New Delhi, June 17, 2004.

- Minister of State for External Affairs, Mr. E. Ahamed is currently paying a visit to Jordan. In the absence of King Abdullah II, who was in the USA, Mr. Ahamed was received by the Regent, Prince Faisal Bin Al Hussein at the Royal Court immediately after his arrival in Amman yesterday afternoon.

- The discussions between Mr. Ahamed and Prince Faisal focused on the historically close and friendly relations and between India and Jordan and the need to strengthen bilateral ties. The common humanitarian approach of the two countries embodying tolerance, pluralism and secularism was stressed. The discussions also covered regional issues particularly developments in Iraq, the Palestinian cause, the Arab world and Islamic countries. Mr. Ahamed conveyed details of India's consistent and steadfast support to the Palestinian cause and the inalienable right of the Palestinian people to a homeland of their own. He thanked the Jordanian government for facilitating the travel of Indian nationals to Iraq and expressed the hope that this support would continue. Prince Faisal assured him of all possible support in this area[1].

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1. - During his visit to Jordan, Minister of State for External Affairs Mr. E. Ahamed held wide-ranging discussions with the Minister of Labour and Acting Minister of Foreign Affairs of Jordan, Mr. Amjad Majali. The two leaders described India-Jordan relations as excellent based on historically warm and friendly ties. Mr. Ahamed pointed out that Indian foreign policy was based on continuity and that one of its pillars was its steadfast support to the Palestinian cause and the Arab cause.
   - Other issues discussed included developments in the Middle East, Iraq situation and Palestine. The discussions reflected the commonality of views of the two countries on these issues. Ways and means to strengthen the relationship between India and Jordan were also discussed. The Indian suggestion to commence regular Foreign Office Consultations was received positively by the Jordanian side. It was also agreed that a bilateral extradition treaty should be negotiated. Consideration will also be given to a bilateral Mutual Legal Assistance Treaty in criminal matters and an MOU on manpower exports to Jordan. The Jordanian side welcomed the proposal to sign an MOU on IT cooperation.
   - Mr. Ahamed also met Prince El Hassan bin Talal, who is the head of several well-known think-tanks. The two discussed bilateral, regional and international issues of mutual interest. The discussions also focused on developments in the Arab world, the challenges faced by Islam and the security situation in the region and beyond.

- Mr. Ahamed personally handed over to Prince Faisal an invitation from President Dr. A. P. J. Abdul Kalam to King Abdullah II to visit India at an early date.

- Mr. Ahamed also met Dr. Mohammad Halaiqa, Deputy Prime Minister and Minister of Industry and Trade in his capacity as the Acting Prime Minister of Jordan. Mr. Ahamed briefed Dr. Halaiqa on the recent general elections and their outcome. Dr Halaiqa stated that India was a model of democracy for the developing world. The two leaders also discussed India–Pakistan relations, developments in the Middle East, bilateral economic and trade relations and the Islamic world.

- The acting Foreign Minister of Jordan Mr. Amjad Majali hosted a lunch in the honour of Mr. Ahamed.

- Mr. Ahamed was scheduled to hold detailed discussions with the Foreign Minister of Jordan Mr. Marwan Muasher today.

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KAZAKHSTAN

202. Memorandum of Understanding between the Ministry of Communications and Information Technology of the Republic of India and the Ministry of Industry and Trade of the Republic of Kazakhstan within the frame-work of the Park of Information Technology.

New Delhi, September 15, 2004.

The Ministry of Communications and Information Technology of the Republic of India and the Ministry of Industry and Trade of the Republic of Kazakhstan (hereinafter referred to as "the Parties");

Participating in high technology activities within the framework of the special economic zone "Park of Information Technology" (hereinafter referred to as PIT);

Considering that the states of the Parties, being participants in the provision of technologies and services in the IT sector (hereinafter -IT), intend to build up their partnership in the given sector;

Recognising the potential for extensive trade between the Parties in the IT sector and the need to maximize this potential in a more focused and comprehensive manner;

Desiring to facilitate the growth of investments, joint ventures, joint initiatives, technology development and markets in the IT sector, and

Intending to implement a technology and industry co-operation aimed at fostering business partnership between the two countries;

Have reached the following understanding;:

Article 1
Basic Principles

The Partties hereby confirm their intention to promote closer co-operation and information exchange in the IT sector in accordance with national laws and regulations of each country and this Memorandum of Understanding on the basis of equality, cooperation and mutual benefit.

Article 2
Scope of Cooperation

The cooperation between the Parties shall include the following areas;

1. IT Software, including telecom software;

2. IT enabled services;

3. E-commerce and Information Security;

4. Electronic Governance;

5. IT and Electronics Hardware;

6. HRD for IT education and IT education services;

7. Research and Development in IT sector;

8. Exploring third country markets, and

9. any other area as mutually agreed upon by the Parties.

Article 3
Implementation

In order to implement the operations on cooperation identified in Article 2 of the present Memorandum, an India-Kazakhstan Working Group in Information Technologies sector (hereinafter " the Working Group") shall be set up to identify and assist in:

1) exploring and supporting research and implementation needs in the fields of innovation incubation, venture financing and infrastructural development of PIT;

2) developing skills through exchange programmes, and through joint sponsorship of conferences, training programmes and seminars in the field of IT:

3) involving, wherever possible, entrepreneurs in each country to foster incubation of start- up companies and setting up of joint ventures in IT hardware and software:

4) technology development, product, trade and market development to be undertaken between the two Parties:

5) exchange of technical experts in the field of IT and software: and

6) any other area of cooperation as may be mutually agreed upon.

Article 4
Working Group

1. For the purpose of identifying and facilitating programmes under Article 3 of the present Memorandum, the Parties shall designate one or more representatives as members of the Working Group. The designated representatives shall be responsible for seeking any specific co-operative activities of respective Parties.

2. The Working Group shall be responsible for implementing the scope of cooperation as set out in Article 2 above. The Working Group may hold consultations identifying and defining future activities according to Article 3 of this Memorandum and review-activities in progress or discuss matter related to such activities. In case of need and by mutual agreement, the Working Group shall hold working meetings alternately in India and Kazakhstan at a mutually agreed time.

3. The membership of the Working Group and key issues for the Working Group will be identified and agreed upon by the Parties before each meeting of the Working Group.

Article 5
Ways of Cooperation

1. All joint activities defined by this Memorandum shall be conducted in accordance with the existing legislation of each of the Parties.

2. All cooperative, activities under Articles 2, 3 and 4 of this Memorandum of Understanding will be subject to the availability of funds and other resources of the Parties. The cost of cooperative activities will be shared by the Parties in a manner to be mutually agreed upon.

Article 6
Cooperation between IT Sectors

The Parties shall encourage agreements on cooperation between private companies and organizations of IT sector.

Article 7
Intellectual Property Rights

Protection of the intellectual property rights arising out of or pursuant to any Article or activity under this Memorandum of Understanding and the allocation of ownership of these rights shall be determined on a case-by-case basis, in accordance with applicable national laws of the Parties as well as international treaties to which they are parties.

Article 8
Provision of Information

The Parties confirm that neither of the Parties shall disclose or distribute to any third country any information provided by the other Party in the process of joint activities within the framework of the present Memorandum, except for a written authorization of the other Party.

Article 9
Amendments

In case of need the present Memorandum can be modified or amended on the basis of mutual written consent of the Parties, through diplomatic channels.

Article 10
Dispute Settlement

Any and all disputes between the Parties concerning the interpretation and/or implementation of this Memorandum of Understanding shall be settled amicably through consultations and/or negotiations between the Parties.

Article 11
Validity

1. This Memorandum shall come into force on the date of its signing and remain in force for 5 years. Thereafter, it can be extended for similar periods of five years at a time by written mutual consent of the parties. Thee present Memorandum can be terminate at any time after the expiry of six months from the date of receipt by one of the Parties a appropriate written notice of the other Party about its intention to terminate it.

2. The termination of this Memorandum shall not affect joint activities which are already in progress under Articles 2 and 3 of the present Memorandum.

Done in the city New Delhi on 15th September 2004 in two originals each in the Hind. Kazakh, Russian and English languages, all texts being equally authentic. In case of any divergence in interpretation of the provisions of the present Memorandum, the English text shall prevail.

For the Ministry of Communications and Information Technology of the Republic of India	For the Ministry of Industry and Trade of the Republic of Kazakhstan
Sd/-	Sd/-
Dayanidhi Maran	Adilbek R. Jaxybekov
Minister of Communications and Information Technology	Minister of Industry and Trade

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KUWAIT

203. Statement by External Affairs Minister K. Natwar Singh at the Media Interaction on the visit of the Kuwaiti Foreign Minister.

New Delhi, August 25, 2004.

Ladies and Gentlemen,

With us today is H.E. Sheikh (Dr.) Mohammed Sabah Al Salem Al Sabah, Minister of Foreign Affairs of Kuwait, who is on an official visit to India. I have had the pleasure of holding wide-ranging discussions with the Foreign Minister of Kuwait. We exchanged views on a number of bilateral, regional and international issues of mutual interest. We agreed that political, economic and cultural ties between the two countries would be further enhanced by these consultations. India and Kuwait share a common interest in peace, security and stability of the region. India recognizes Kuwait's role as a significant source for India's energy needs. It is India's third largest supplier of oil. Kuwait recognizes India as a major source of technology, technical human resources and higher education. Kuwait appreciates the constructive role played by the 420,000 strong Indian community in Kuwait's economy and their peaceful and harmonious co-existence with other people. Both the sides underlined the importance of direct investment in each other's economies. India welcomes Kuwaiti investment in Indian infrastructure. We exchanged views on common concerns on the threat to open and democratic societies from terrorism and extremist violence and recognize the need for increased consultations and cooperation in this area. The Kuwaiti side recognized the positive efforts made by India to help secure peace and stability in the Middle East.

The Foreign Minister of Kuwait is also the current Chair of the Gulf Cooperation Council (GCC). India and GCC hold political consultations in New York on the margins of the UN General Assembly session. We look forward to the consultations next month in New York. GCC and India have now agreed that such consultations take place in New Delhi and Gulf capitals alternately. This is a significant institutional framework for India for interactions with GCC, which is home for 3.5 million Indians, a source for our energy needs, and a valuable trading partner. We have just signed the following three agreements:

i) Memorandum of Understanding for establishment of India-Kuwait Strategic Consultative Group to facilitate periodic meetings between the Secretary, Ministry of External Affairs, Government of India and the Under Secretary, Ministry of Foreign Affairs of the State of Kuwait, to enhance economic, political and security cooperation between the two countries, on a sustained and long-term basis.

ii) Extradition Treaty.

iii) Agreement on Mutual Legal Assistance in Criminal Matters.

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204. Extradition Treaty between the Republic of India and the State of Kuwait.

New Delhi, August 25, 2004.

The Government of the Republic of India and the Government of the State of Kuwait and, hereinafter referred to as the "Contracting Parties";

Being desirous to promote the bonds of fruitful cooperation between the Contracting Parties;

Recognizing that concrete steps are necessary to combat terrorism and other crimes;

Determined to make more effective the cooperation between the Contracting Parties in combating crime by entering into an extradition treaty;

Have agreed as follows:

Article 1

The Contracting Parties shall extradite any person found in their respective territories who is accused or convicted of an extraditable offence in the territory of the other Contracting Party, in accordance with the rules and stipulations contained in the subsequent Articles, whether such offence was committed before or after the entry into force of this Treaty.

Article 2

The following persons shall be extradited:

a) Persons accused of an offence punishable under the laws of both the Contracting Parties by imprisonment for a period of at least one year or more; and

b) Persons sentenced by the courts of the Requesting Party with imprisonment for at least six months in respect of an extraditable offence.

Article 3

1. For offences in connection with taxes, fiscal charges and customs duties, extradition shall be effected in accordance with the provisions of this Treaty only if the said offence corresponds to an offence of a similar nature under the law of the Requested Party.

2. An attempt or conspiracy to commit or incite or participate in the commission of an extraditable offence shall also be regarded as an extraditable offence.

Article 4

1. Extradition shall be granted in respect of an extraditable offence committed outside its territory but within the jurisdiction as asserted by the Requesting Party, if the Requested Party would, in corresponding circumstances, have jurisdiction over such an offence. In such cases, the Requested Party shall have regard to all the circumstances of the case including the seriousness of the offence.

2. Extradition shall be available for an extraditable offence if committed in a third State by a national of the Requesting Party who is present in the Requested Party and provided that it would be an extraditable offence under the laws of the Requested Party, had the offence been committed in the Requested Party.

3. Extradition shall also be available for an extraditable offence notwithstanding that the conduct of the person sought occurred wholly or partly in the Requested Party, if under the law of that Party his conduct and its effects or its intended effects, taken as a whole, would be regarded as constituting the commission of an extraditable offence in the territory of the Requesting Party.

Article 5

1. The nationals of either of the two Contracting Parties shall not be extradited to the other Contracting Party. In this case the Requested Party shall submit the case for prosecution to the competent authority, if the act committed or omission is considered as an offence under the law of the Requested Party.

2. Nationality shall be determined as at the time of the commission of the offence.

Article 6

Extradition may be refused:

1. If the offence for which the extradition is requested is a political offence or connected with a political offence. In the application of this Treaty, the following shall not be regarded as political offences:

a) assault against the President, Vice President or Prime Minister of either Contracting Party;

b) murder, culpable homicide not amounting to murder or robbery;

c) offences relating to terrorism, including murder, culpable homicide not amounting to murder, assault causing bodily harm; kidnapping, hostage-taking, offences involving serious damage to property or disruption of public facilities, and offences relating to firearms or other weapons, or explosives, or dangerous substances;

d) any offence within the scope of international conventions to which both Contracting Parties are parties and which obligate the Parties to grant extradition or prosecute; or

e) an attempt or conspiracy to commit or incite or participate in the commission of any of the above offences.

2. Extradition may also be refused if:

a) the person sought to be extradited was previously tried for the same offence for which extradition is requested and was acquitted or was convicted and had completed the sentence or is undergoing it;

b) the criminal proceedings had expired or the sentence lapsed by time, in pursuance of the law of the Requesting Party, when the request for extradition was received;

c) the offence was committed outside the territory of the Requesting Party, by an alien, and if it is not an offence under the law of the Requested Party;

d) the offence for which extradition is requested was committed in the Requested Party, provided the Requested Party prosecutes the person;

e) a person whose extradition is sought is being investigated or tried in the requested party for the same offence for which his extradition is requested; or

f) The sentence remaining to be served by a person convicted of an extraditable offence is less than six months.

Article 7

1. Where the Requested Party refuses a request for extradition for the reasons set out under this Treaty, it shall submit the case to its competent authorities for prosecution. Those authorities shall take their decision in the same manner as in the case of any offence of a similar nature under the law of that Party.

2. If, after refusing extradition, prosecution is not found feasible in the Requested Party for whatever reason, the Requested Party shall re-consider the extradition request, and may extradite the person sought to the Requesting Party.

Article 8

1. The request for extradition shall be made in writing and despatched through the diplomatic channels with the under-mentioned documents and particulars appended:

a) if the request relates to a person already convicted and sentenced, an official copy of the sentence passed against the person to be extradited;

b) the warrant of arrest, or remand or any document having the same

effect, issued by a competent authority, if the person to be extradited is under investigation;

c) particulars as to identity, description and a photograph of the person to be extradited, if possible;

d) the date, the place of the commission of the acts for which extradition is requested, the legal characterization of those offences, and a certified copy of the applicable legal provisions, and a statement by the prosecuting authorities as to evidence against the person to be extradited;

e) in case of the person not yet sentenced, such other evidence, as according to the laws of the Requested Party, would justify his arrest and committal for trial had the offence been committed within the jurisdiction of the Requested Party:

All documents referred to above shall be translated into English and authenticated by the Requesting Party.

Article 9

1. In case of urgency, a person to be extradited may be provisionally arrested and remanded in custody until the request for extradition, together with the documents referred to in the preceding Article, is received.

2. The request for provisional arrest and remand shall be communicated in writing to the competent authority of the Requested Party, either directly or through the International Criminal Police Organization (INTERPOL) channels.

3. The same request shall be confirmed through the diplomatic channels, and shall contain a reference to the existence of any of the documents, enumerated in the preceding Article, and intimating the intention of the Requesting Party to transmit a request for extradition, a statement of the offence for which extradition is requested, the sentence specified for that offence or the sentence imposed, the time and place of the commission of the offence and a detailed description of the person to be extradited. The Requesting Party shall forthwith be notified of any action taken in respect of the request.

4. The provisional arrest and remand shall be made in accordance with the legal procedures of the Requested Party.

Article 10

1. The competent authority in the Requested Party may, if the documents required under this Treaty are not delivered within 45 days from the date of the arrest of the person to be extradited, release that person.

2. The period of the provisional detention shall not, in any case, exceed 60 days from the date of its commencement.

3. The person to be extradited may at any time be released on bail, if the Requested Party takes all necessary measures to prevent his escape. The release of such person shall not prevent his re-arrest and extradition, if the request for extradition is received afterwards.

Article 11

If the Requested Party needs additional clarifications/ evidence to ensure the compliance with the conditions embodied in this Treaty, it shall notify the Requesting Party through diplomatic channels, before rejecting the request, and may fix a date for receiving such clarifications/ evidence.

Article 12

1. If numerous requests from more than one state for extradition are made for the same offence, priority shall be given to the State whose security or interest or nationals or their interests are affected by the offence, and then to the State on whose territory the offence is committed, and lastly to the State of which the person to be extradited is a national.

2. If the circumstances are identical, then the State which made the first request shall have preference. If the requests for extradition are for several offences, then preponderance is accorded to the circumstances of the offence and its gravity.

Article 13

Without prejudice to the rights of others acting in good faith, and to the laws in force in the Requested Party, everything found in possession of the person to be extradited, at the time of his arrest or remand or at a later stage, whether being the proceeds of the offence or used in the commission of, or connected with it, or relevant as evidence, shall be attached and may be handed over to the Requesting Party, even if the offender is not extradited due to his death or his absconding.

Article 14

1. The competent authorities in each Contracting Party shall determine the request for extradition in accordance with the laws in force at the time of the request.

2. In the event of granting the extradition request, the Requesting Party shall be notified of the date and place of extradition.

3. In case the request is rejected, the Requested Party shall communicate to the Requesting Party, through diplomatic channels, the decision taken, giving reasons thereof.

4. The Requesting Party shall, within thirty days from the date of its notification of the extradition, receive the person to be extradited, otherwise the Requested Party may discharge him, and in such event no second request for extradition may be accepted for the same offence.

5. If exceptional circumstances prevent a Contracting Party from surrendering or taking delivery of the person sought within the stipulated time, it shall notify the other Contracting Party prior to the expiration of the time limit. In such a case, the competent authorities of the Contracting Party may agree upon a new date for the surrender.

Article 15

1. If the person to be extradited is under investigation or standing trial or is convicted in the Requested Party for an offence other than that for which his extradition is requested, then the Requested Party shall decide on the request and communicate the decision made to the Requesting Party.

2. If the request for extradition is granted, then the surrender of the person concerned shall be postponed until his trial in the Requested Party is complete and the punishment awarded is executed.

3. The provisions of this Article shall not preclude the possibility of the provisional surrender of the person concerned to appear before the judicial authorities of the Requesting Party, provided that the Requesting Party expressly undertakes to return him to the other Contracting Party, after the completion of the judicial proceedings pertaining thereto, subject to the law of the Requested Party.

Article 16

1. The competent authorities of the Requested Party shall admit as evidence, in any proceedings for extradition, any statement taken on oath or by way of affirmation, any warrant or any certificate or judicial document stating the fact of conviction, if it is authenticated:

a). In the case of a warrant being signed, or in the case of any original document being certified by a judge, magistrate or other competent authority of the Requesting Party;

b) In the case of deposition or statements either by oath of some witness or by being sealed with the official seal of the appropriate authority of the Requesting Party;

c) In such other manner as may be permitted by the law of the Requested Party.

2. The evidence described in paragraph I shall be admissible in extradition proceedings in the Requested Party whether sworn or affirmed in the Requesting Party or in some third State.

Article 17

1. The person to be extradited shall not be tried or punished in the Requesting Party except for the offence for which his extradition is sought or for offences connected therewith, or offences committed after his extradition. If the characterization of the offence is modified during the proceedings taken against the person extradited, he shall not be charged or tried, unless the ingredients of the offence in its new characterization, permit extradition in conformity with the provisions of this Treaty.

2. If the person extradited had the liberty and means to leave the territory of the Party to which he was extradited, and he did not leave within 30 days subsequent to his final release or left during that period, but voluntarily returned, he may be tried for any other offence.

Article 18

1. The Contracting Party to which the person is extradited shall not

extradite him to a third State, without the consent of the other Contracting Party.

2. The person may be extradited to a third State if the conditions under Article 17 (2) exist.

Article 19

The term of provisional remand shall be remitted from any sentence passed in the Requesting Party against the person to be extradited.

Article 20

1. Transit of person who is the subject of extradition from a third State through the territory of a Contracting Party to the territory of the other Contracting Party shall be granted on submission of a request, provided that the offence concerned is an extraditable offence under Article 2, and that the Contracting Party requested to grant transit does not consider the offence to be one covered by Article 6.

2. Transit of a national of the Requested Party may be refused if, in the opinion of that Party, it is inadmissible under its law.

3. The request for transit must be accompanied by documents as mentioned in Article 8 of this Treaty.

Article 21

1. Each Contracting Party shall reciprocally bear all the expenses necessitated by the extradition of 6he concerned person, except transportation expenses which shall be borne by the Requesting Party.

2. The Requesting Party shall pay the expenses of the return of the extradited person to the place, he was in at the time of his extradition if commission of the offence by him or his complicity therein is not proved.

Article 22

Each Contracting Party shall, in accordance with national laws and bilateral agreements, afford the other the widest measures of mutual assistance in criminal matters in connection with the offence for which extradition has been requested.

Article 23

The present Treaty shall not affect the rights and obligations of the Contracting Parties arising from international conventions/ treaties to which they are parties.

Article 24

This Treaty shall be subject 10 ratification in accordance with the constitutional procedures in force in both Contracting Parties. It shall become effective from the date of the last intimation, by which either contracting party shall inform the other that all the necessary legal procedures of the enforcement of the Treaty have been fulfilled.

Article 25

This Treaty has been concluded for an indefinite period of time. Either of the contracting parties may terminate this Treaty by giving six months notice thereof through diplomatic channels. Upon the expiry of such notice, the Treaty shall cease to have any force or effect.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed this Treaty.

Done at New Delhi on this the 25 Day of August 2004 in two originals each in the Hindi, Arabic and English languages, all the texts being equally authentic. In the event of any differences the English text shall prevail.

(H.E. Mr. K. Natwar Singh)
External Affairs Minister
For the Government of
the Republic of India

(H.E. Sheikh (Dr.) Mohammad
Sabah AI-Salem A/Sabah)
Foreign Minister
For the Government of
the State of Kuwait

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205. Agreement between the Republic of India and the State of Kuwait on Mutual Legal Assistance in Criminal Matters.

New Delhi, August 25, 2004.

The Government of the Republic of India and the Government of the State of Kuwait (hereinafter referred to as the Contracting Parties);

Guided by the traditional friendly relations between the two countries;

Desiring to improve the effectiveness of both countries in the investigation, prosecution and suppression of all types of crime, and tracing, restraint, forfeiture or confiscation of the proceeds and instruments of crime, through cooperation and mutual legal assistance in criminal matters;

Have aqreed as follows:

Article 1
Scope of application

1. Under this agreement, the Contracting Parties shall grant each other the widest measure of mutual legal assistance in criminal matters.

2. Contracting Parties shall exchange information on final sentences rendered against the citizens of the other contracting party.

3. For the purpose of this Agreement, mutual legal assistance shall be granted irrespective of whether the assistance is sought or to be provided by a Court or some other authority.

4. This Agreement shall be without prejudice to other obligations between the Parties pursuant to other treaties or arrangements or otherwise, and shall not prevent the Parties or their law enforcement agencies from providing assistance to each other pursuant to other treaties or arrangements.

5. This Agreement shall also apply to any requests for mutual legal assistance relating to acts or omissions committed before its entry into force.

Article 2
Definitions

For the purpose of this Agreement:

a) "Criminal matters" means investigations, inquiries, trials or other proceedings relating to an offence created by law.

b) "Criminal matters" shall also include investigations or proceedings relating to offences concerning taxation, duties, customs and international transfer of capital or payments.

c) "Assistance" shall include:

1) measures to locate, restrain, forfeit or confiscate the proceeds and instruments of crime;

2) taking of evidence and obtaining of statements of persons;

3) providing of information, documents and other records, including criminal and judicial records;

4) location of persons and objects, including their identification;

5) search and seizure;

6) delivery of property, and lending of exhibits;

7) making detained persons and others available to give evidence or assist investigations;

8) service of documents, including documents seeking the attendance of persons; and

9) other assistance consistent with the objectives of this Agreement.

d) "Proceeds of crime" means any property that is derived or realised directly or indirectly by any person from an offence or the value of any such property.

e) "Property'" includes money and all kinds of movable or immovable, tangible or intangible property, and includes any interest in such property.

f) "Confiscation" means any measures resulting in the deprivation of property by conclusive decision.

g) "Instrument of crime" means any property which, is or is intended to be, used in connection with the commission of an offence.

h) "The restraint of property" means any measure for the prevention of dealing in or transfer or disposal of property.

Article 3
Central Authorities

1. Requests for assistance under this Agreement shall be made through the Central authorities of the Contracting Parties.

2. In the Republic of India the Central Authority is the Ministry of Home Affairs. In the State of Kuwait the Central Authority is the Ministry of Justice (Criminal Execution Office & Foreign Communications).

Article 4
Contents of Requests

1. Requests for assistance under this agreement shall be made in writing. However, in urgent circumstances or where otherwise permitted by the Requested Party, requests may be made orally but shall be confirmed in writing immediately thereafter.

2. Requests for assistance shall include a statement of:

a) the name of the competent authority conducting the investigation or proceedings to which the request relates;

b) the matters, including the relevant facts and laws, to which the investigation or proceedings relate;

c) the purpose for which the request is made and the nature of the assistance sought;

d) details of any particular procedure or requirement that the Requesting Party wishes to be followed;

e) any time limit within which compliance with the request is desired;

f) the identity, nationality and location of the person or persons who are the subject of the investigation or proceedings;

g) in the case of requests for the taking of evidence or search and seizure, a statement indicating the basis for belief that evidence may be found in the jurisdiction of the Requested Party;

h) in the case of requests to take evidence from a person, a statement as to whether sworn or affirmed statements are required, and a description of the subject matter of the evidence or statement sought;

i) in the case of lending of exhibits, the person or class of persons who will have custody of the exhibit, the place to which the exhibit is to be removed, any tests to be conducted and the date by which the exhibit will be returned;

j) in the case of making detained persons available, the person or class of persons who will have custody during the transfer, the place to which the detained person is to be transferred and the date of that person's return;

k) the need, if any, for confidentiality and the reasons thereof; and

j) in the case of requests for restraint or forfeiture of proceeds or instruments of crime, where possible:

1) a detailed description of the proceeds or instruments including their location;

2) a statement describing the basis for belief that the monies or property are the proceeds or instruments of crime; and

3) a statement describing the evidence that would be available for a proceeding in the Requested Party.

3. The Requested Party shall not refuse to execute the request solely because it does not include all of the information described under this article if it can otherwise be executed according to the law of the Requested Party.

4. If the Requested Party considers that additional information is needed to enable the request to be dealt with, that Party may request such additional information.

Article 5
Execution of Request

1. Requests for assistance shall be executed in accordance with the law of the Requested Party, and may be executed in any manner specified in the request, if not incompatible with the law of the Requested Party.

2. The Requested Party shall inform the Requesting Party of any circumstances which are likely to cause a significant delay in execution of the request.

3. The Requested Party shall promptly inform the Requesting Party of the decision of the Requested Party not to comply in whole or in part with a request for assistance, or to postpone execution and shall give reasons for that decision.

Article 6
Refusal of Assistance

1. The Requested Party may refuse the assistance if:

a) the execution of the request would impair its sovereignty, security, public order or other essential interests;

b) the execution of the request would be contrary to the domestic law of the Requested Party;

c) the request seeking restraint, forfeiture or confiscation of proceeds or instruments of crime which had it occurred within the jurisdiction of the Requested Party, would not have been a crime in respect of which a confiscation order could have been made;

d) the request relates to an offence in respect of which the accused person had been finally acquitted or pardoned.

2. Before refusing to grant a request for assistance, the Requested Party shall consider whether assistance may be granted subject to such conditions as it deems necessary. If the Requesting Party accepts assistance subject to conditions, it shall comply with them.

Article 7
Transmission of Documents and Objects

1. When the request for assistance concerns the transmission of records and documents, the Requested Party may transmit certified true copies thereof, unless the Requesting Party expressly requests the originals.

2. The original records or documents and the objects transmitted to the Requesting Party shall be returned to the Requested Party as soon as possible, upon the latter's request.

3.Insofar as not prohibited by the law of the Requested Party, documents, objects and records shall be transmitted in a form or accompanied by such certification as may be requested by the Requesting Party in order to make them admissible according to the law of the Requesting Party.

Article 8
Taking evidence in the Requested Party

1. A person, including a person in custody, requested to testify and produce documents, records or other articles in the Requested Party may be compelled by summons/warrants or any other order of a competent authority to appear and testify and produce such documents, records and other articles, in accordance with the law of the Requested Party.

2. Subject to the law of the Requested Party, Commissioners, other representatives of the Requesting Party and persons concerned in the proceedings in the Requesting Party shall be permitted to be present when evidence is taken in the Requested Party and to participate in the taking of such evidence.

3. The right to participate in the taking of evidence includes the right of legal representative present to pose questions. The persons present at the execution of a request may be permitted to make a verbatim transcript of the proceedings and the use of technical means to make such a verbatim transcript if allowed by the court or competent authority.

Article 9
Availability of Persons to give Evidence or Assistance

1. A Contracting Party may request that a person be made available to testify or to assist in an investigation.

2. The Requested Party shall invite the person to assist in the investigation or to appear as a witness in the proceedings and seek that person's concurrence thereto. That person shall be informed of any expenses and allowances payable.

Article 10
Making Detained Persons available to give Evidence to Assist in Investigation

1. A person in custody in the Requested Party may, at the request of

the Requesting Party, be temporarily transferred to the Requesting Party to assist in investigations or proceedings, provided that the person consents to that transfer and there are no overriding grounds against .transferring the person. If the person objects to transfer, Article 8 applies.

2. Where the person transferred is required to be kept in custody under the law of the Requested Party, the Requesting Party shall hold that person in custody and shall return the person in custody at the conclusion of the execution of the request.

3. Where the sentence imposed expires, or where the Requested Party advises the Requesting Party, that the transferred person is no longer required to be held in custody, that person shall be set at liberty and be treated as person present in the Requesting Party pursuant to a request seeking that person's attendance.

4. An imprisoned person may not be transferred, if such transfer shall have the effect of extending the duration of his imprisonment.

Article 11
Safe conduct

1. A person present in the Requesting Party in response to a request seeking that person's attendance shall not be prosecuted, detained or subjected to any other restriction of personal liberty in the territory of that Party for any acts or omissions which preceded that person's departure from the Requested Party, nor shall that person be obliged to give evidence in any proceeding other than the proceedings to which the request relates.

2. A person, who is present in the Requesting Party by consent as a result of a request for the person's attendance to answer before a judicial authority any acts of Commission or Omission shall not be prosecuted or detained or subjected to any other restriction of personal liberty for acts of omission or commission which preceded that person's departure from the Requested Party, not specified in the request.

3. Paragraphs 1 and 2 of this Article shall cease to apply if a person, being free to leave the Requesting Party, has not left it within a period of 30 days after being officially notified that, his attendance is no longer required or, having left that territory, he has voluntarily returned.

4. Any person who fails to appear in the Requesting Party may not be subjected to any sanction or compulsory measure in the Requested Party.

Article 12
Proceeds and Instruments of Crime

1. The Requested Party shall, upon request endeavour to ascertain whether any proceeds or instruments of a crime are located within its jurisdiction and shall notify the Requesting Party of the results of its inquiries.

2. A request may be made for assistance in securing the forfeiture or confiscation of proceeds or instruments of crime. Such assistance shall be given in accordance with the law of the Requested Party by whatever means appropriate. This may include giving effect to an order made by a court or other competent authority in the Requesting Party or submitting the request to a competent authority for the purpose of seeking a forfeiture or confiscation order in the Requested Party.

3. A request may be made for assistance in the restraint of property for the purpose of ensuring that it is available to satisfy an order for the recovery of proceeds or instruments.

4. Proceeds or instruments forfeited or confiscated pursuant to this Agreement shall accrue to the Requesting Party, unless otherwise agreed.

5. Where action has been taken in the Requested Party pursuant to a request for assistance under paragraphs 1 or 2 of this Article, and there is a representation in either of the Contracting Parties as the case may be by a person affected by the order, the relevant Party shall inform the other Party as soon as possible and shall also inform it promptly of the outcome of that representation.

Article 13
Confidentiality and Limitation of Use

1. The Requested Party may require, after consultation with the Requesting Party, that information or evidence furnished or the source of such information or evidence be kept confidential or be disclosed or used only subject to such terms and conditions as it may specify.

2. The Requested Party shall, to the extent requested, keep confidential

a request, its contents, supporting documents and any action taken pursuant to the request except to the extent necessary to execute it.

3. The Requesting Party shall not disclose or use information or evidence furnished for purposes other than those stated in the request without the prior consent of the Requested Party.

Article 14
Authentication

Evidence or documents transmitted pursuant to this agreement shall not require any form of authentication, save as is specified in Article 7.

Article 15
Language

Requests and supporting documents shall be accompanied by a translation into one of the official languages of the Requested Party or into English.

Article 16
Costs

1. The Requested Party shall meet the cost of executing the request for assistance, except that the Requesting Party shall bear :

a) the expenses associated with conveying any person to or from the territory of the Requested Party at the request of the Requesting Party, and any allowance or expenses payable to that person while in the Requesting Party pursuant to a request under Articles 9 or 10 of this Agreement; and

b) the expenses and fees of experts either in the Requested Party or the Requesting Party.

2. If it becomes apparent that the execution of the request requires expenses of an extraordinary nature, the Contracting Parties shall consult to determine the terms and conditions under which the requested assistance can be provided.

Article 17
Entry into Force

This Agreement shall be subject to ratification in accordance with

the constitutional procedures in force in both Contracting Parties. It shall become effective from the date of the last intimation, by which either Contracting Party shall inform the other that all the necessary legal procedures for the enforcement of the Agreement have been fulfilled.

Article 18
Termination

This Agreement has been concluded for an indefinite period of time. Either of the Contracting Parties may terminate this Agreement by giving six months' notice through diplomatic channels. Upon the expiry of such notice, the Agreement shall cease to have any force or effect.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this agreement.

DONE at New Delhi, this 25th day of August of the year Two Thousand and Four, in two originals each in Hindi, Arabic and English languages, all the texts being equally authentic. In the event of any differences the English text shall prevail.

Sd/-
(H.E.K. Natwar Singh)
External Affairs Minister
For the Government of
The Republic of India

Sd/-
(H.E. Sheikh (Dr.) Mohammad
Sabah AI-Salem AI-Sabah
Foreign Minister
For the Government of
The State of Kuwait

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206. Memorandum of Understanding for Establishment of India-Kuwait Strategic Consultative Group.

New Delhi, August 25, 2004.

The Government of India and the State of Kuwait (hereinafter referred to as "the Parties");

DESIRING to strengthen the historically close and friendly relations between the two countries;

CONSIDERING to establish India-Kuwait Strategic Consultative Group for bilateral cooperation (hereinafter referred to as "the Group")

HAVE reached the following understanding:

1. The primary aim of this Strategic Consultative Group is to:

(a) discuss specific matters of strategic nature that contribute directly to strengthening bilateral relations, with emphasis on proposals that enhance economic, political and security cooperation on long term basis.

(b) coordinate all aspects of bilateral relations and directly assist in facilitating the implementation of joint projects whether in India or Kuwait.

(c) study the proposals or initiatives presented by either side at any time.

2. The Group will be chaired on the Indian side by the Secretary, Ministry of External Affairs and on the Kuwaiti side by the Under Secretary, Ministry of Foreign Affairs. The members of the Group will be nominated by each side according to the need and requirement of each meeting depending upon the agenda.

3. The Group will meet every year, alternately in India and Kuwait. Special meetings of the Group may be summoned by mutual consent at any time, in addition to the regular meetings.

4. This Memorandum of Understanding shall come into force on the date of its signing and will continue to remain in force, unless either Party notifies the other in writing through diplomatic channels, of its intention to terminate the present MoU.

Done at New Delhi on 25th day of August 2004 in two originals each

in English, Hindi and Arabic languages, all the texts being equally authentic. In case of any divergence in interpretation, the English text prevails.

Sd/-
(H.E. Mr. K. Natwar Singh)
External Affairs Minister
For the Government of the
Republic of India

(H.E. Sheikh (Dr.) Mohammad
Sabah Al-Salem Al-Sabah)
Foreign Minister
For the Government of the
State of Kuwait

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207. Joint statement issued at the end of the visit of Kuwaiti Foreign Minister Sheikh (Dr.) Mohammed Sabah Al-Salem Al-Sabah to India.

New Delhi, August 26, 2004.

H.E.Sheikh (Dr.) Mohammed Sabah Al-Salem Al-Sabah, Minister of Foreign Affairs of the State of Kuwait, paid an official visit to India from August 24-26, 2004, at the invitation of the Hon'ble Minister of External Affairs of India, Shri Natwar Singh. During the visit, the Foreign Minister of Kuwait held wide-ranging discussions with Minister of External Affairs and called on the Speaker of the Lok Sabha, the Prime Minister, and the President.

The two Ministers signed the following agreements :-

(i) Memorandum of Understanding for Establishment of India-Kuwait Strategic Consultative Group to facilitate periodic meetings between the Secretary, Ministry of External Affairs, Government of India and the Under Secretary, Ministry of Foreign Affairs of the State of Kuwait, to enhance economic, political, and security cooperation between the two countries, on a sustained and long-term basis.

(ii) Extradition Treaty;

(iii) Agreement on Mutual Legal Assistance in Criminal Matters;

The official level discussions were held in a friendly and cordial

atmosphere. The two sides exchanged views on a wide range of bilateral, regional, and international issues of mutual interest. Both sides noted with satisfaction the enduring political, economic and cultural ties which have been enhanced by the consultations at the senior level. Both sides reiterated their desire to further strengthen bilateral relations based on a long tradition of mutual consultations and coordination on issues of vital importance to both countries and provide mutual support in various multilateral fora. Both sides recognized shared cultural affinities reinforced by institutional linkages and based on their commitment to a democratic polity and an open liberal society. Both sides agreed that the Indian community resident in Kuwait constituted valued link between the two countries, contributing to further strengthening the economic and cultural relations between the two countries. Both sides recognized a common interest in peace, security and stability of the Gulf and South Asian regions and agreed to periodic exchange of views and viewpoints in this regard, within the framework of the India-Kuwait Strategic Consultative Group. Both sides recognized Kuwait's role as a significant source of energy for India's rapidly growing economy and a factor in contributing to India's energy security.

Both sides emphasized the need for increased economic cooperation in four priority areas – trade, investment, industrial cooperation (including SME), and transfer of technology (including IT) – identified at the First India-GCC Industrial Conference. Both sides underlined the importance of building institutional linkages and direct investment in each other's economies. They also recognized India as a major source of technology and technical human resources. Both sides noted the new opportunities offered by the State of Kuwait through their revised foreign investment laws which would facilitate increased direct foreign investment. Both sides acknowledged the need for an early conclusion of negotiations on the Avoidance of Double Taxation Agreement.

Both sides exchanged views on their common concerns on the threat to open and democratic societies from terrorism and extremist violence. They called for effective international cooperation to combat terrorism and deny sanctuaries to terrorist outfits. They recognized the need for increased consultation and cooperation in this area.

Both sides underscored the importance of peace and stability in the Gulf region and the need to respect the sovereignty and territorial integrity

of the countries in the region. Both sides welcomed the increased role for the United Nations in Iraq and noted with satisfaction that the process of political transition in Iraq, including restoration of its sovereignty, was underway.

Both sides underlined the need to revitalize the Middle East Peace Process, based on the relevant UN Resolutions, the Arab Initiative, and the Road Map, in order to achieve a just, lasting, and comprehensive peace in the region and the establishment of two states, Israel and Palestine, living side by side in peace and security. The Kuwaiti side recognized the positive efforts made by India to help secure peace and stability in the Middle East.

Both sides reaffirmed their commitment to the implementation of reforms within the United Nations, including the reform of the Security Council and expansion of both the Permanent and Non-Permanent Membership.

The Foreign Minister of Kuwait thanked the Government of India for the cordial welcome and hospitality extended to him and his delegation during their visit to India.

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OMAN

208. Statement to the Press by External Affairs Minister K. Natwar Singh at the end of his visit to Oman.

Muscat, December 26, 2004.

At the conclusion of my two-day visit to Oman that is substantive and fruitful, I am happy to address this Press Conference and to take some questions from the media.

During the visit, I had the privilege of calling on His Majesty Sultan and handing a written message from Prime Minister Dr. Manmohan Singh, reiterating our interest to further strengthen the bilateral relations. In the meeting with the Majesty, we reviewed the bilateral relations and discussed wide range of regional and international issues. His Majesty recalled Oman's historical ties with India at the level of people, including maritime and mercantile relations, and shared traditions and cultural values. The role of the Indian community in Oman in this dynamic was appreciated and the role of culture and tradition in strengthening these ties applauded. His Majesty expressed satisfaction at the progress in the bilateral ties, including economic and commercial relations, and reciprocated the desire for substantial enhancement of the same in the future.

I held comprehensive discussions with my Omani counterpart, H.E. Yousuf bin Alawi bin Abdullah, the Minister Responsible for Foreign Affairs. The wide ranging talks included issues of mutual interest and matters of concern in the region. We reaffirmed our common desire for peace and stability in the region. The Omani minister welcomed interest of Indian companies in setting up joint ventures in Oman particularly in the Musandam Peninsula. The matter will be dealt with in the Strategic Consultation Group at the Secretary level and Joint Committee meeting at Ministerial level both scheduled early next year. Oman extended support for India's bid for permanent membership of the UN Security Council. We also agreed to pay close attention to the pending labour matters relating to Indian workers in Oman and to resolve them at an early date. Discussions will be held between the two countries to further strengthen civil aviation links between the two countries taking into consideration newly established Air India Express and the request of Oman Air to create additional capacity on Oman-India sector. Both sides also agreed to celebrate in a befitting manner the 50th

anniversary of India's diplomatic presence in Oman and the inauguration of the $ 1 billion Oman-India Fertilizer factory next year.

I had an interesting meeting with H.H. Sayyid Haitham bin Tareq bin Taimour Al Said, Minister of Heritage and Culture on the rich historical and cultural heritage that India and Oman share, particularly in the colonial period and on the need to preserve the archives and to undertake joint research basis on archival documents and publications on the exchange between the two countries in the bygone era. We also agreed to follow up on recent excavations in Oman, which showed a four thousand year old maritime link between Oman coast and the ancient Indian city of Dwarka on the west coast of India. Ministry of Heritage and Culture will extend cooperation in the 50th anniversary celebrations of India's diplomatic presence in Oman.

My meeting with H.E. Sayyid Badr bin Saud bin Hareb Al Busaidi, Minister Responsible for Defence Affairs, reviewed the ongoing defence cooperation particularly in the matter of training of Omani nominees in Indian defence institutions and joint Naval exercises. I reiterated the invitation extended to the defence minister of Oman by the Indian counterpart and it was agreed that the visit could take place in the first half of the next year, during which a MoU on defence cooperation could also be signed. The Omani Minister welcomed aerobatic display by the Indian Surya Kiran aircraft team from Indian Air Force in Oman in January 2005.

My discussions with H.E. H.E. Dr. Mohammed bin Hamed bin Seif Al Romhy, Minister of Oil and Gas centered around enhancement of India's presence in the hydro-carbon sector of Oman, through onshore and offshore exploration for oil and gas and provision of services and supplies for the ongoing drilling. It was also agreed that India and Oman will study joint exploration for oil and gas in third countries. The Omani Minister of Oil and Gas has accepted the invitation of his Indian counterpart to participate in the international energy conference taking place in New Delhi on 5-6 January, 2005.

My meeting with H.E. Maqbool bin Ali bin Sultan, Minister of Commerce and Industry, focused on increasing trade and investment between the two countries bilaterally and in regional framework. We agreed to build further on the success achieved in setting up the $ 1 billion joint venture of Oman-India fertilizer factory. It was agreed that both the sides

would work on cooperation in science and technology, including IT and biotechnology.

I also signed Extradition Treaty and MoU on Cooperation in Audit Services and laid the foundation stone for the Embassy complex in the diplomatic area.

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209. Joint Statement issued at the end of the visit to Oman of External Affairs Minister K. Natwar Singh.

Muscat, December 26, 2004.

Minister of External Affairs His Excellency K. Natwar Singh visited Muscat from December 24 - 26 at the invitation of His Excellency Yousuf bin Alawi bin Abdullah the Minister Responsible for Foreign Affairs. This has been an important visit, which has served to strengthen further the close bilateral relations between the Republic of India and the Sultanate of Oman at a strategic level.

During his visit External Affairs Minister Natwar Singh was received by His Majesty Sultan Qaboos bin Said, and handed a written message from the Prime Minister Dr. Manmohan Singh to His Majesty, concerning bilateral relations and ways and means of boosting ties between the two countries. In their meeting His Majesty and the External Affairs Minister reviewed aspects of Oman India bilateral relations and discussed a wide range of international and regional issues.

External Affairs Minister Natwar Singh also met the Minister Responsible for Foreign Affairs His Excellency Yousuf bin Alawi bin Abdullah to hold a round of official talks. The Ministers exchanged views on a number of political, international, and regional issues. There was a broad measure of agreement between them on these issues, in support of the need to make every effort to build peace and stability in the region and the world. In the same context, the two sides also agreed on the need to expand the UN Security Council and to coordinate their positions accordingly. The Sultanate of Oman supports India's candidature for a permanent seat in the expanded

Security Council.

The Ministers also noted with satisfaction the steady development of bilateral relations between Oman and India, praised the work of the joint committee and the progress made by the Oman India Strategic Consultation Group. They reaffirmed their commitment to support the continued development of bilateral relations[1] on many fronts, including, among other issues, energy, information technology, trade and investment, labour relations, and defence and security.

The Ministers welcomed the constructive contribution of the Indian community[2] in Oman towards economic development, and the further development of bilateral cooperation between the two countries.

During his visit External Affairs Minister K. Natwar Singh had the opportunity to meet His Highness Sayyid Haitham bin Tariq AI-Said the Minister of Heritage and Culture, His Excellency Sayyid Bader bin Saud bin Harub AI Busaidi the Minister Responsible for Defence Affairs, His Excellency Maqbool bin Ali bin Sultan Minister of Commerce and Industry and His Excellency Dr. Mohammed bin Hamad AI Rumhi Oil and Gas Minister. He was accompanied by a team of senior officials from Ministry of External Affairs in Delhi.

The visit concluded with the signing of an Extradition Treaty concerning the extradition of convicted and accused persons between Oman and India, and the signing of a Memorandum of Understanding between the State Audit Institution of the Sultanate of Oman and the Comptroller and Auditor General of India, for cooperation in audit matters.

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1. India's economic relationship with Oman acquired momentum after construction of a large fertilizer plant in Oman began last year (2003). It is billed as the largest grassroots fertilizer plant in the world. India has chipped in with an investment of one billion dollars. It is also the largest Indian overseas joint venture. It is expected to commence production in 2005. The year 2005 also marks the golden jubilee of the establishment of formal bilateral diplomatic relations between the two countries.
2. The Indian community in Oman is around 400, 000 strong.

210. Extradition Treaty between the Republic of India and the Sultanate of Oman.

Muscat, December 26, 2004.

The Government of the Republic of India and the Government of the Sultanate of Oman, hereinafter referred to as the Contracting States;

Recalling the traditional friendly relations between the two countries;

Deeply concerned by the magnitude of and rising trend in acts of international terrorism and organized crime;

For the necessity of strengthening and reinforcing the effective legitimate methods for the cooperation between the two countries in the field of criminal matters; and,

Endeavouring to achieve the common intent of cooperation in crime combat, as to reflect the friendly bilateral relations between the two countries,

Have agreed as follows:

Article 1

The Contracting States shall extradite any person found in their respective territories who is accused or convicted of an extraditable offence in the territory of the other Contracting State,

The Contracting States shall commit themselves to extradition for offences committed before or after the entry into force of this Treaty.

Article 2

The following persons shall be extradited:

1. Persons accused of an offence punishable under the laws of both Contracting States by imprisonment for not less than one year or for more severe punishment.

2. Persons sentenced by the Courts of the Requesting State with imprisonment for six months or more in respect of an extraditable offence.

Article 3

The crimes punishable by death penalty in both countries shall be extraditable. Where any crime for which the extradition is sought is not punishable by death penalty in the Requested State, extradition shall not be granted unless the Requesting State gives such an assurance that the death penalty will not be imposed or if imposed will not be executed.

Article 4

An offence may be extraditable notwithstanding its relation to taxation, revenue or is one of purely fiscal nature.

Article 5

Any attempt or conspiracy to commit, incite or participate in committing an extraditable offence shall also be regarded as an extraditable offence if the same is an offence in both Contracting States.

Article 6

Extradition shall not be refused on the ground that the person sought is a national of the Requested State.

Article 7

1. Extradition shall be granted by the Requested State in respect of an extraditable offence committed outside its territory but within the jurisdiction of the Requesting State provided that the Requested State would, in similar circumstances, have jurisdiction over such offence. In such cases, the Requested State shall observe all the circumstances of the case including the seriousness of the offence.

2. Extradition shall be granted for an extraditable offence if it is committed in a third State by a national of the Requesting State provided that it is an extraditable offence under the laws of the Requested State had it been committed therein.

3. Extradition shall also be granted for an extraditable offence notwithstanding that the acts of the person sought occurred wholly or partly in the Requested State, if under the law of that State his acts and effects or intended effects thereof, as a whole, would constitute an extraditable offence in the territory of the Requesting State.

Article 8

Extradition may be refused:

1. If the offence for which the extradition is requested is a political offence or an offence of political nature. In the application of this Treaty, the following shall not be regarded as political offences or offences of a political nature:

a. Assault or attempted assault against the Head of the State, Head of the Government, Vice Presidents, any member of their families, members of the Royal Family of the Sultanate of Oman, members of .the Council of Ministers, any persons holding the rank of a Minister of either Contracting States or any member of their families;

b. Murder, culpable homicide, robbery and theft crimes accompanied by coercion whether committed by one or several persons against an individual, government, local authorities or against the means of communication and transportation;

c. Terrorism offences, including murder, manslaughter, assault causing bodily harm, kidnapping, hostage-taking, offences involving serious damage to property or disruption of public facilities, and offences related to fire-arms, other weapons, explosives or dangerous substances;

d. Any offence under an international convention to which both the Contracting States are parties and which obligates the parties to prosecute or grant extradition;

e. An attempt, conspiracy to commit, incite or participate in the commission of any of the above-mentioned offences.

2. If tile person sought to be extradited was previously tried for the same offence for which extradition is requested and was acquitted or convicted and had served the sentence or was serving it.

3. If the criminal proceedings have abated or the sentence is time barred under the law of either Contracting State, when the request for extradition is received.

4. If the offence is committed by an alien outside the territory of the Requesting State, and it is not an offence under the law of the Requested State.

5. If the offence for which the extradition is requested was committed in the Requested State, provided the Requested State prosecutes the person.

6. If a person whose extradition is sought is being investigated or tried in the Requested State for the same offence for which his extradition is requested.

Article 9

Where the Requested State rejects a request for extradition for the reasons set out under this Treaty it shall submit the case to its competent authorities for prosecution in accordance with procedures applicable in such cases in the Requested State and notify the Requesting State of the results.

Article 10

The request for extradition shall be made in writing and served through the diplomatic channels accompanied by the following documents and particulars:

a. Particulars as to identity, description and photograph of the person to be extradited, if possible.

b. The warrant of arrest, remand or any document having the same effect, issued by a competent authority, if the person to be extradited is an accused.

c. The date, the place of the commission of the acts for which extradition is requested, the legal characterization of those offences, and a certified copy of the applicable legal provisions, and a statement by the prosecuting authorities as to evidence against the person to be extradited.

d. In case of a convicted offender, an official copy of the judgement passed.

e. Such other evidence as according to the laws of the Requested State, would justify the offender's arrest and committal for trial had the offence been committed within the jurisdiction of the Requested State.

All documents referred to above shall be translated into English and authenticated by the Requesting State,

Article 11

1. In case of urgency, a person to be extradited may be provisionally arrested and detained until the request for extradition, together with the documents referred to in the preceding Article are received.

2. The provisional request shall be communicated in writing to the competent authority of the Requested State, either by post, telegram or any similar means including the International Criminal Police Organisation (INTERPOL).

3. The same request shall be confirmed through the diplomatic channels, and shall contain a reference to the existence of any of the documents enumerated in the preceding Article, and intimating the intention of the Requesting State to transmit a request for extradition, a statement of the offence for which extradition is requested, the sentence specified for that offence or the sentence inflicted, the time and place of the commission of the offence and a detailed description of the person to be extradited as far as possible. The Requesting State shall forthwith be notified of any action taken in respect of the request.

4. The provisional arrest shall be executed in accordance with the legal procedures of the Requested State.

Article 12

1. If the documents required under this treaty are not delivered within ninety days from the date of the arrest of the person to be extradited, the competent authority in the Requested State may release that person.

2. The person to be extradited may at any time be released on bail, if the Requested State takes all necessary measures to prevent his escape. The release of such person shall not prevent his re-arrest and extradition if the request for extradition is completed afterwards.

Article 13

If the Requested State needs additional clarifications to ensure the compliance with the conditions embodied in this Treaty, it shall notify the Requesting State through the diplomatic Channels and/or INTERPOL, before rejecting the request, and may fix a reasonable period for receiving such clarifications.

Article 14

If the extradition of the same person, whether for the same offence or different offences is requested by a Contracting State and a third State with which the Requested State has extradition agreement, the Requested State shall determine to which State the person shall be extradited taking into consideration and giving priority to the State whose security or interest or its nationals or their interest are affected by the offence, and then to the State on whose territory the offence is committed, and lastly to the State of which the person is to be extradited is a national. If the circumstances are identical the State, which made the first request shall have preference. If the requests for extradition are for several offences, the preponderance is accorded to the circumstances of the offence and gravity of the offence.

Article 15

1. Without prejudice to the right of others acting in good faith and to the laws in force in the Requested State, anything found in possession of the person to be extradited at the time of his arrest or remand or at a later stage, provided that these things are proceeds of the offence or used in the commission thereof, or connected with it, or may be relevant as evidence of the offence, shall be attached and may be handed over to the Requesting State, even if the person concerned is not extradited due to his death or absconding.

2. If the seized materials referred to in para 1 of this Article are still required for the investigation of the crime pending in the Requested State, then the delivery of these materials may be delayed, or they may be delivered provided that they should be returned after the settlement of the case and proceedings in the Requesting State.

Article 16

1. The competent authorities in each of the Contracting States shall determine the requests for extradition in accordance with their domestic laws in force at the time of the request, provided that they are not inconsistent with the provisions of this Treaty.

2. The Requested State shall communicate to the Requesting State the decision taken in respect of extradition request, through diplomatic channels without any delay.

3. In the event of approval of the extradition request, the Requesting State shall be notified of the date and place of extradition.

4. The Requesting State shall within thirty days from the date of the above notification of extradition, receive the person to be extradited, otherwise the Requested State may discharge him, and in such event no second request for extradition for the same person may be accepted for the same offence.

5. Where extradition is approved under this Treaty, the Requesting State shall ensure that the person extradited is brought to trial within six months of the extradition and if the trial has not commenced within six months, the Requesting State shall bring the person extradited before its appropriate courts for bail to be considered pending trial and to fix a trial date for charges for which the extradition was approved.

Article 17

1. If the person to be extradited is under investigation, standing trial or convicted in the Requested State for an offence other than that for which his extradition is requested, the Requested State shall decide on the request and communicate the decision to the Requesting State.

2. If the request for extradition is approved, then the extradition of such person shall be postponed until his trial in the Requested State is completed and the punishment passed is executed.

Article 18

1. In any proceeding for extradition, the competent authorities of the Requested State shall admit as evidence any statement taken on oath or by affirmation, statement made before an investigating officer, warrant and any certificate or judicial document stating a conviction, if it is authenticated in the following manner:

a. By signature in case of a warrant, and in case of any original document by certification by a judge, magistrate or other competent authority of the Requesting State; and

b. In case of dispositions or statements either by oath, testimony by witness or by the official seal of the appropriate minister of the Requesting State; or

c. In such other manner as may be permitted by the law of the Requested State.

2. The evidence prescribed in para 1 shall be admissible in extradition proceeding in the Requested State whether adduced on oath or corroborated in the Requesting State or in a third State.

Article 19

1. The person to be extradited shall not be tried or punished in the Requesting State except for the offence for which his extradition is sought, offences connected therewith, offences committed after his extradition or if the nature of the offence is modified during the proceedings against him.

2. If the person extradited has the liberty and means to leave the territory of the State to which he has been extradited and he has not left within thirty days subsequent to his final release or has left during that period, but voluntarily returned, he may be tried for the other offences.

Article 20

1. The Contracting State to which the person is extradited shall not extradite him to a third State, without the consent of the other Contracting State.

2. The person may be extradited to a third State, if he has not left the territory of the State to which he has been extradited within thirty days of his final release or has left during that period but voluntarily returned to it.

Article 21

The present Treaty shall not prejudice the rights and obligations of the Contracting States arising from international conventions or treaties to which they are parties.

Article 22

The term of provisional detention shall be deducted from any sentence passed in the Requesting State against the person to be extradited.

Article 23

1. Each of the Contracting States shall grant the person to be extradited

from a third State passage through its territory upon request made through the diplomatic channels.

2. The request shall be supported by documents pertaining to an offence for which extradition can be granted under the provisions of this Treaty.

Article 24

1. The Requesting State shall bear the expenses related to the translation of documents and the transportation of the person extradited. The Requested State shall pay all other expenses incurred in that State in connection with the extradition proceedings.

2. The Requesting State shall pay the return expenses of an extradited person to the place where he was at the time of extradition if his commission of the offence or complicity therein is not proved.

Article 25

Both Contracting States, in accordance with their domestic laws and the bilateral Treaty, shall spare no effort in mutual cooperation in criminal matters relating to the crime for which the extradition is requested.

Article 26

Either of the two Contracting States may submit a request for amendment to this Treaty.

The request for amendment shall be submitted via diplomatic channels. The amendment shall only be valid after the agreement of the other State.

Article 27

The Contracting States shall maintain the confidentiality of information and documents exchanged under this Treaty.

Article 28

This Treaty shall be ratified in accordance with the legal procedures in force in each State, and shall come into force after one month from the date of exchange of the instruments of ratification.

Article 29

Either of the two Contracting States may terminate this Treaty at any time by giving the other State a six-month notice, provided that the procedures commenced by either State shall proceed to the end.

Done in Muscat on this *2*6th day of December of 2004 in two originals each in the Hindi, Arabic and English languages all the text being equally authentic. In the event of any differences the English text shall prevail.

Sd/-	Sd/-
For the Government of the Republic of India	**For the Government of the Sultanate of Oman**

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211. Memorandum of Understanding between the Comptroller and Auditor General of India and the State Audit Institution of the Sultanate of Oman

Muscat, December 26, 2004.

In view of the friendly relationship between the State Audit Institution of the Sultanate of Oman and the Comptroller and Auditor General of India,

based on the desire of the two parties to enhance co-operation and develop their bilateral relationship and strengthen audit activities in their own countries on the basis of mutual interests

and in pursuance of discussions held between the two parties,

the following has been agreed upon:

Article 1

This Memorandum shall not affect commitments arising out of existing bilateral agreements between the two countries.

Article 2

The two parties shall apply this Memorandum in compliance with the laws and regulations of both countries.

Article 3

The two parties may associate other parties who could contribute in supporting and developing collaborative activities within the scope of this Memorandum.

Article 4

The two parties shall encourage mutual co-operation in the fields of audit activities, developing professional skills of the staff members of the two parties, and co-ordinating their efforts in regional and international meetings.

Article 5

The two parties shall encourage training activities, visits of experts and exchange of technical information and research output in the fields of co-operation specified in Article 4 of this Memorandum.

Further, the Comptroller and Auditor General of India agrees to provide training opportunities for staff members of the State Audit Institutions of the Sultanate of Oman in training programs conducted by the training institutions of the Comptroller and auditor General of India.

Provided that the number of slots and details of training courses shall be subject to mutual approval.

Article 6

The two parties shall mutually agree as to which party shall bear the costs resulting from the activities covered by Article 5 of this Memorandum.

Article 7

The Comptroller and Auditor General of India agrees to depute or second his staff members at the request of the State Audit Institution of the Sultanate of Oman to perform short / long term assignments. The number of staff, duration and terms of deputation or secondment shall be subject to mutual agreement, in compliance with the personnel regulations applicable to both parties.

Article 8

The two parties shall nominate the units within the organization, which

will be responsible for implementing this Memorandum of Understanding.

Article 9

This Memorandum of Understanding may be amended or modified at any time by mutual consent of the two parties.

Article 10

This Memorandum of Understanding shall come into force on the date of signing and shall remain effective for a period of five years. Thereafter it may be renewed for similar further periods by mutual agreement of the two parties.

Signed at Muscat on December 26, 2004 in three originals in English, Hindi and Arabic, all texts being equally authentic. However, in case of any divergence in interpretation of the MoU, the English text will prevail.

On behalf of
Government of India

On behalf of
State Audit Institution
Sultanate of Oman

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PALESTINE

212. Statement by Official Spokesperson on the killing of the spiritual leader of Hamas Sheikh Ahmed Hassin in Gaza.

New Delhi, March 23, 2004.

We are appalled by the killing in Gaza of Sheikh Ahmed Vassin, spiritual leader of Hamas yesterday in an Israeli missile strike. We believe that it would exacerbate the cycle of violence and counter-violence, not only in Gaza but also elsewhere in the region. The need of the hour is restraint and resumption of the peace process in line with relevant UN Resolutions.

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213. Statement by Official Spokesman on the killing of Hamas Leader Abdel Aziz Rantisi.

New Delhi, April 19, 2004.

The targeted killing of Hamas leader Abdel Aziz Rantisi is unjustified and unacceptable and cannot be condoned under any circumstances. Such actions can only lead to further destabilization of the already fragile situation in the region and result in further escalation of the cycle of violence and counter-violence. We believe that the need of the hour is restraint to enable peace negotiations to restart at the earliest.

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214. Statement by Acting Permanent Representative at the United Nations A. Gopinathan on the "Advisory Opinion of the International Court Justice on the Legal Consequences of the Construction of a Wall in the Occupied Palestinian Teritory" at the Emergency Special Session of the General Assembly.

New York, Jul 16, 2004.

Please see Document No. 407.

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215. Statement by Minister of State E. Ahamed after his meeting with President Arafat.

Ramallah, September 17, 2004.

I am happy to be visiting Palestine. The Palestinian cause is one which I have been championing all my life in India and abroad – as a political worker, as a parliamentarian, and now as a Minister in the Government[1].

I am honoured to be the guest of President Arafat. He is a hero to us in India and a household name. President Arafat is regarded, respected and loved as a symbol of the Palestinian cause, and, as one of the great leaders of our times. I have been touched by his feelings for my country, his warmth, and, his unfailing courtesy.

India has historically been unwavering in its support for the Palestinian cause. We remain convinced that the Palestinian people will succeed in realization of their national aspirations. It is our view that restrictions on the freedom of movement of President Arafat would not help the cause of peace. This only compounds difficulties. President Arafat represents the authority of the Palestinian people, and to subject him to this treatment is an affront to the Palestinian people. This must stop forthwith.

1. This was the first visit by a high-level representative of the United Progressive Alliance Government to Palestine. Minister Ahamed's visit was seen as part of as fresh effort by the GOI to reinforce its bond with the Palestinian people and its leaders.

India has always recognized President Arafat as an elected leader of the Palestinian people. We hope that the already tense and uncertain situation in West Asia would not be exacerbated by irresponsible pronouncements regarding him, which are unacceptable to the Palestinian people as well as the international community at large and must attract the severest condemnation worldwide. Any effort contemplated to remove him from the scene would be indefensible in international law, would serve no constructive purpose, would negate all efforts towards reconciliation and would prove to be politically counterproductive, apart from having a definite negative impact on the Middle East Peace Process.

India will continue to join all efforts of the international community to redress the historical injustices which have been imposed on the Palestinian people. Our policy is based on our strict adherence to humanitarian principles.

I am looking forward to having fruitful discussions with the Foreign Minister, His Excellency Dr. Nabeel Shaath, on issues relating to the Middle East Peace Process as well as on other bilateral, regional and multilateral issues. I am also looking forward to interaction with senior officials of the Foreign Ministry of the Palestine National Authority at a dinner hosted by Dr. Nabeel Shaath tonight.

My visit reaffirms India's continued commitment and unwavering support to the Palestinian cause and the legitimate aspirations of the Palestinian people for a homeland of their own. Our gift[1] of vehicles and medicines to the Palestine National Authority signifies our continued support to its relief and reconstruction efforts[2].

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1. The gift included 12 vehicles and medicines worth Rs. 10 million.
2. Later on October 26, after the Minister had returned to New Delhi, the Ambassadors of Egypt, Oman, Palestine and Tunisia called on him to convey their appreciation on "India's stand on the Palestinian issue". They also expressed their appreciation of the outcome of the MOS's recent visit to Palestine including the announcement of provision of assistance and medicines. Minister Ahamed told the envoys that India was doubling her contribution to UNRAW this year to US $ 20,000. The Minister recalled the commitment of India over the decades to the Palestinian cause and reiterated that his visit was in keeping with the policy of the Government of India.

216. Statement by Minister of State E. Ahamed on the escalation of violence in Northern Gaza.

New Delhi, October 5, 2004.

"We condemn the recent escalation of violence in Northern Gaza and the disproportionate and large-scale use of force by the Israeli forces. We are deeply concerned at the tragic and unwarranted loss of innocent civilian lives, including of women and young children.

"We urge an immediate end to the military operations and a return to the path of negotiations. Serious, sincere and urgent efforts must be made to re-start the peace process in accordance with the relevant UN Resolutions and the Quartet Road Map, in order to achieve a just, comprehensive and durable peace in the region".

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217. Letter of Prime Minister Manmohan Singh to Prime Minister of the Government of the Palestinian National Authority Ahmad Qurei (Abu Ala) condoling the death of President Yasir Arafat.

New Delhi, November 11, 2004.

It was with a sense of deep grief that we learnt the sad demise of His Excellency President Yasir Arafat, the President of the Palestinian National Authority.

In the passing away of President Yasir Arafat, the Palestinian people have lost a legendary leader who made great sacrifices for realizing the legitimate aspirations of the Palestinian people. President Arafat's abiding mission in life was to achieve a homeland for his people. The initiation of the Middle East Peace Process and the continued attention of the international community to this cause were the result of President Arafat's single-minded and untiring efforts in the face of many formidable obstacles.

President Arafat will always be remembered in India as a sincere friend and a much admired and respected statesman.

We share the grief of the leadership of the Palestinian National

Authority, the family of President Arafat, and the people of Palestine at the passing away of a great patriot and statesman.

India will stand with the Palestinian people and the leaders of the Palestinian National Authority in their struggle to fulfill the hopes and aspirations of President Arafat.[1]

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1. A statement issued by the Government of India on the same day said:
"The government of India and people of India have received with deep sadness and shock the news of the demise of President Yasir Arafat. He was a towering and highly respected international personality who fought selflessly and courageously, at great personal sacrifice, for the Palestinian cause and an independent homeland for the Palestinian people to which he dedicated his whole life.
India has consistently supported the Palestinian struggle for independence, and was the first non-Arab country to recognize the PLO as a sole and legitimate representative of the Palestinian people. He enjoyed great respect and admiration among the people and leaders of India, and will always the remembered as a sincere and steadfast friend of India. The people of India share the grief of the leadership of the Palestinian National Authority and the people of Palestine at the passing away of a great patriot and statesman."
The President, Dr. A. P. J. Abdul Kalam, the Chairperson of the UPA, Smt. Sonia Gandhi and the External Affairs Minister, Shri K. Natwar Singh also sent separate messages of condolences to the Palestinian leadership.
The Indian delegation to the funeral of the PLO leader headed by External Affairs Minister K. Natwar Singh included Railway Minister Lalu Prasad Yadav, Parliamentary Affairs Minister Ghulam Nabi Azad, Minister of State in the Ministry of External Affairs E. Ahamed, and Communist Party of India (Marxist) leader Sitaram Yechuri. The External Affairs Minister on way back from the funeral told the accompanying journalists on board the Special aircraft that: "We have good relations with Israel but that does no and should not come in the way of our expressing support for the Palestinian people". He said "our relations with Palestinians remain strong but that does not mean they should affect our ties with Israel". He recalled that it was a Congress government led by P. V. Narasimha Rao that had decided to establish diplomatic relations with Israel in 1992. Asked if the death of Mr. Arafat would not give a setback to the West Asian peace process, Mr. Singh said: "We hope the new Palestinian leadership will take the peace process forward. We will give full support to the genuine aspirations of the Palestinian people". The new leadership should be able to arrange orderly elections within the next two months so that the work of the road-map of peace in West Asia given by the quartet, comprising the United Nations, Russia, the European Union and the United States could be implemented for the eventual establishment of the state of Palestine, he said. India, Mr. Singh said, attached great importance to the West Asian peace process and hope the transition in the Palestinian leadership would be a smooth affair. "We will watch the transition with great interest." Mr. Singh said the composition of the Indian delegation for Mr. Arafat's funeral clearly indicated the high regard in which New Delhi held the departed leader.
Mr. Singh said India had been supporting the legitimate rights of the Palestinians much before the country itself attained independence. In 1938 Mahatma Gandhi had said if French-men can live in France, if British can live in England, why can't the Palestinian live in Palestine, he recalled. He said it was a historical fact that President Arafat brought the plight of the Palestinian people as a major item on the international agenda. It was unfortunate that he did not live to see a state of Palestine being created. Mr. Arafat, the Minister said, had very personal relations with Mrs. Indira Gandhi, Mr. Rajiv Gandhi and other Indian Prime Ministers. He said he had met senior Palestinian leaders at the funeral of Mr. Arafat and assured them India's unstinted support.

Please accept, Excellency, the assurances of my highest consideration and my deepest condolences.

(Manmohan Singh)

H.E. Mr. Ahmad Qurei (Abu Ala)
Prime Minister
Government of the Palestinian National Authority
Ramallah

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218. Statement of Permanent Representative at the United Nations Nirumpam Sen on Agenda Item 37: Question of Palestine and Agenda Item 36: The Situation in the Middle East in the General Assembly.

New York, November 30, 2004.

Please see Document No. 450.

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SAUDI ARABIA

219. Media briefing by Official Spokesperson on the visit of Minister of State E. Ahamed to Saudi Arabia.

New Delhi, June 14, 2004.

- Mr. E. Ahamed, Minister of State for External Affairs is currently visiting Kingdom of Saudi Arabia (June 13-16). This is the first high-level contact between Saudi Arabia and India after formation of the new Government in India.

- In a gesture of the cordial relations that exist between the Kingdom of Saudi Arabia and India, Mr. E. Ahamed was received by the Custodian of the two Holy Mosques, King Fahd bin Abdul Aziz in Jeddah immediately on his arrival.

- During the meeting, the visiting Minister conveyed the greetings of the Prime Minister and people of India, and emphasized our commitment for strengthening and deepening bilateral relations.

- Mr. Ahamed was carrying a letter from Prime Minister Manmohan Singh to His Majesty King Fahd. The communication stressed the cultural links between the two countries and the people-to-people contact. 1.5 million Indians are resident in the Kingdom of Saudi Arabia and form the largest expatriate community there.

- Mr. Ahamed will also be meeting HE Mr. Iyad bin Ameen Madani, Minister of Haj, to finalise arrangements for approximately 120,000 Indian pilgrims who would be performing annual Haj pilgrimage in January 2005.

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220. Statement by Official Spokesperson on the visit of Minister of State E. Ahamed to Mecca (Saudi Arabia).

New Delhi, December 27, 2004.

On an invitation from the Ministry of Haj, Government of Saudi Arabia, Shri E. Ahamed, Hon'ble Minister of State for External Affairs, represented India on the auspicious occasion of the washing of the holy place "Kaaba Sharif" in Mecca today. This sacred ceremony is held every year a fortnight before the commencement of the Haj rituals. Today's ceremony was led by Governor of Mecca and attended by prominent members of the royal family of Kingdom of Saudi Arabia and select invitees including representatives from 50 countries.

Shri E. Ahamed was accompanied by Ambassador of India in Saudi Arabia Shri M.O.H. Farook. The occasion also gave an opportunity to Shri Ahamed to interact with the representatives of other Islamic countries.

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UNITED ARAB EMIRATES

221. Statement by External Affairs Minister K. Natwar Singh at the end of his visit to United Arab Emirates.

Dubai, December 28, 2004.

Today is the second day of my visit to the Emirates. Yesterday, in Abu Dhabi I had the opportunity to call on the President of the UAE, His Highness, Shaikh Khalifa Bin Zayed Al Nahyan, and on His Highness, Shaikh Mohammad Bin Zayed Al Nahyan, Crown Prince of UAE, and met a wide spectrum of other leaders. You would already have seen the India-UAE Joint Statement, which has been extensively reported by the UAE official news agency.

I delivered to His Highness, Shaikh Khalifa Bin Zayed Al Nahyan a message from our President Dr. A.P.J. Abdul Kalam, touching on our bilateral relationship and inviting him to visit India.

I am particularly happy with my discussions in Abu Dhabi. We reviewed the bilateral relationship, which as you are aware is growing very well. Indeed, compared to last year, our exports in UAE grew by over 70 per cent in the first half of this financial year, while UAE exports to India are growing even more vibrantly at over 170 per cent. And last year, as you know, our non-oil two-way trade crossed US$7 billion making the UAE amongst the largest export destinations for India. More and more Indian companies are looking at establishing themselves in the UAE with its excellent infrastructural, energy and other geographical advantages, and use these facilities as hub for their regional operations. The UAE leadership has welcomed this and offered full support and backing to take such initiatives forward.

Based on our discussions, directions have already been issued that the Indo-UAE Joint Commission will be activated right away to review the full gamut of bilateral interaction to qualitatively enhance the relationship with the objective of building a long-term partnership between our two countries for their mutual benefit. We looked at possibilities of cooperation in oil and gas. India considers the UAE an important partner, politically and economically. And the UAE, in the context of the on-going discussions at New York for expansion of the United Nations Security Council, has agreed with us on the need for its expansion and expressed its support for India's candidature for permanent membership of an enlarged Security Council.

President Shaikh Khalifa Bin Zayed Al Nahyan and Crown Prince Shaikh Mohammad Bin Zayed Al Nahyan both expressed their and the UAE's heart-felt condolences and support for the Indian people on the tragedy in India and the massive number of causalities resulting from the Tsunami that has affected our coastlines.

Since this morning we have been engaged in an important conference of our Ambassadors from 15 countries of the Arab World, Egypt eastwards. We have had a very productive and useful discussions on the entire range of issues pertaining to this region and what India can do to further and intensify its relations. This conference is taking place at an important juncture, and while I would not be able to go into details of our talks, - the conclusions we reach today will form important inputs in our dealings with this region.

I held a meeting with the representatives of our NRI community in

Abu Dhabi last evening. I will be meeting the Indian community in Dubai also this evening. I was scheduled to leave for an official visit to Bahrain tomorrow morning but in view of the awesome tragedy in India, I am cutting short my tour and returning to India tonight. I must put on record the many messages of support and condolences that I have received from my counterparts from all over the World, even while I was here in the UAE.

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UZBEKISTAN

222. Media briefing by Official Spokesperson on the visit of Minister of State E. Ahamed to Uzbekistan.

New Delhi, October 2, 2004.

On his arrival, the Minister of State of External Affairs, Shri E. Ahamed was received by Mr. I. Ergashev, Deputy Minister and other senior officials of Ministry of Foreign Affairs, Republic of Uzbekistan. This is the first Ministerial level visit to Uzbekistan after the installation of UPA Government in India.

A Meeting was held with Mr. Ergashev during which the marked progress on wide ranging bilateral relations between India and Republic of Uzbekistan was discussed. The yearlong celebrations connected to Lal Bahadur Shastri's birth centenary in Uzbekistan will provide a fresh impetus to take the friendly bilateral relations to new heights.

The Minister visited the famous Al-Beruni Institute of Oriental Studies where valuable manuscripts like Baburnama and Akbarnama are preserved. The Minister also met prominent Indologists and friends of India including Members of Parliament and exchanged views during the dinner hosted by the Ambassador in honour of the Minister.

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223. Media briefing by Official Spokesperson of the visit of Uzbekistan Foreign Minister Sadik S. Safayev to New Delhi.

New Delhi, October 29, 2004.

Foreign Minister of Uzbekistan is here. He has held discussions today with External Affairs Minister. A Memorandum of Understanding was signed between the two countries to establish India-Uzbek Centre for Information Technology. It was signed by the External Affairs Minister and the visiting Foreign Minister. Under this MoU the Government of India is to provide Rs. 30 million to the Government of Uzbekistan for the promotion of IT by setting up this Centre. This would be in the shape of a package which includes technical expertise, hardware, software, networking equipment, training, and deputation and so on.

May I add that this sort of exchange of visits of Foreign Ministers between India and Uzbekistan has almost become an annual feature. The Uzbek Foreign Minister had come in January 2003. Our Foreign Minister had gone in November 2003 and now we have this return visit from Uzbekistan[1].

The discussions focused quite heavily on economic aspects. Uzbekistan is a large producer of gold and second largest exporter of cotton. It was thought that we should have direct trade between India and Uzbekistan rather that through third countries. To that objective the Uzbek Foreign Minister is speaking to the FIEO and tomorrow to the CII to attract Indian investment, business and entrepreneurship to Uzbekistan.

Tourism was also discussed. The Uzbek Foreign Minister proposed an idea to make a Mughal tour between India and Uzbekistan which could cover cities like Samarkand, Bukhara and Delhi and Agra and thus build

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1, Earlier the Minister of State in the Ministry of External Affairs E. Ahamed also visited Uzbekistan from October 1 to 4, 2004. During this visit, he had a meeting with Uzbek Deputy Minister and other senior officials. This gave the opportunity to discuss the marked progress in bilateral relations. The year-long celebrations connected to Lal Bahadur Shastri birth centenary in Uzbekistan provide a fresh impetus to take friendly bilateral relations to new heights. The MOS visited the famous A:-Beruni Institute of Oriental Studies where valuable manuscripts like Baburnama and Akbaknama are preserved. Shri Ahamed also met prominent Indologists and friends of India including Members of Parliament and exchanged views during the dinner hosted by the Ambassador in his honour.

upon the cultural and historical commonalities that we have. As you know Uzbek Air has seven flights a week from Amritsar to Tashkent. There was a desire form the Uzbek side to triple this. They have four flights from Delhi to Tashkent, they want to double that. They also want a new connection from Ahmedabad. They are also keen to liberalize the visa regime bilaterally[1].

Uzbekistan has desired to become a regional trade hub and attract more and more investment in that area and activity in trade. That to some extent is also motivated by the fact that they believe that this would help in their fight against narcotics and drug trafficking. They are also strengthening their rail links and road links. There is a road going into Afghanistan from Mazar to Herat. This also meshes in with what India is doing in Afghanistan.

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224. Memorandum of Understanding between the Government of the Republic of India and the Government of the Republic of Uzbekistan for establishing Indo-Uzbek Centre for Information Technology.

New Delhi, October 29, 2004.

The Government of the Republic of India and Government of the Republic of Uzbekistan (hereinafter referred to as the Parties).

Conscious of their friendly relations and

Desirous of further strengthening bilateral cooperation in the area of Information Technology.

Noting in that context the offer by the Government of the Republic of India to support development of Information Technology (further IT) in Uzbekistan through establishing "Indo-Uzbek Centre for Information Technology" at Tashkent.

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2. Uzbek Minister speaking separately to journalists said his country recognized the increasing role of India in the contemporary world. India's rising influence in the world was seen as a possible tendency by his country. According to him, positions taken by India and Uzbekistan on a range of international issues were very close.

Noting also that a decision was taken by the Government of the Republic of India to provide a Grant of Rs.30 million to the Government of the Republic of Uzbekistan for the promotion of Information Technology by establishing an "Indo-Uzbek Centre for Information Technology" at Tashkent.

The Parties have reached the following Understanding:

Vision

The activity of Centre is focused to:

- Create a pool of knowledge workers and generate employment opportunities.
- Create world class IT professionals to attract investment into Uzbekistan and generate revenues through exports.
- Assist in establishing e-Governance in Uzbekistan.

Mission

- Provide training in modular short-term proficiency courses in computer application software.
- Upgrade the skills of IT faculty in Uzbekistan in IT proficiency.
- Provide training through the entire project Life Cycle i.e. design, development, testing, trials, debugging, customization, commissioning, support services etc.

Article 1

The Government of the Republic of India shall provide a cooperation package that would involve Technical expertise; Supply of Hardware, Software and Networking equipment; Training of Uzbekistan specialists in India; Deputation of Indian IT Experts for setting up the centre and provide on-the-job training; and course / reference material, as given below:

1. Nominate the implementing Agency **- Centre for Development of Advanced Computing -** on behalf of the Government of India.

2. Supply hardware, related software and operating systems, networking elements and classrooms equipment (projector, electronic board, Xerox machine etc.) required for the planned courses at the Centre.

3. Depute Indian IT experts to Uzbekistan for a total of 60 man-months to establish the Centre and provide on-the-job training for Uzbekistan faculty at the centre.

4. Training of Uzbekistan specialists in India for a total of 48 man-months.

Article 2

The Government of the Republic of Uzbekistan shall provide the following counterpart assistance for the Project:

1. Nominate the implementing Agency-**The Tashkent University of Information Technologies on behalf of the Agency of Communications and Information of Uzbekistan"-on** behalf of the Government of Uzbekistan.

2. Provide an exclusive Building with necessary space, interior partitions, interior decorations, connectivity (LAN/Phone/ISDN etc.), Power, UPS/DG Set (alternate power supply), water, heating, air conditioning, etc.

3. Provide computer and office furniture and allied equipment for officers and classrooms, library, faculty rooms, etc.

4. Provide free furnished residential accommodation, transportation, communications and medical facilities for Experts deputed from India.

5. Provide office accommodation, communication facilities, assistance in obtaining VISA, work permit etc., for Indian Experts.

6. Exempt the products and services under the Cooperation program from customs duties, internal taxes, and other fiscal levies, which may be imposed in Uzbekistan.

7. Provide for customs free clearance of supplies at Tashkent Airport and transportation to the Centre within short period. The delays, if any, shall be on account of Government of Uzbekistan.

8. Coordinate for local activities during commissioning and training and provide necessary instruments, tools, manpower, etc.

9. Recruit Uzbek personnel to manage the Centre.

10. Provide for day-to-day financial and management assistance of Centre.

11. Cater for day-to-day operational expenses for the centre.

12. Enable all statutory approvals and permission required for establishment and operating of Centre.

Article 3

In order to monitor the proper implementation of the project an India-Uzbekistan Joint Working Group shall be set up.

Article 4

Intellectual Property Rights and confidentiality and non-disclosure

Should intellectual property arise out of or pursuant to any Article or activity under this Memorandum of Understanding, the allocation of ownership of these rights shall be determined on a case-by-case basis, in accordance with applicable domestic laws and international principles. However if C-DAC designs, develops any software, hardware, course material, training methodology/ techniques, the IPR in respect of such works should be owned by C-DAC/ DIT Government of India.

The Parties confirm that neither Party shall disclose nor distribute to any third country any information transmitted, by the other side in the process of cooperative activities under this Memorandum, except as and to the extent authorized in writing to do so by the other Party or required by judicial process. Any such information/ data/ report in public domain should not be treated as confidential.

Article 5

The working language of the Centre will be English and all software, course material, training, etc. shall be in English language. However if the course material is available in Russian language, the same may be provided.

Article 6

All questions and difficulties, arising from duties or performance, shall be resolved on the basis of mutual understanding, discussions and consultations. Any amendments to this Memorandum shall be done in separate Minutes, which shall become an integral part of the Memorandum.

Article 7

The Memorandum of Understanding shall enter into force on the date of signing it by the Parties. The Memorandum terminates on the certification of completion of the project by the Parties.

Article 8

The Project cost, Project schedule, specifications of Hardware, Software, and Networking equipment and other details for the implementation of this Memorandum of Understanding will be decided separately by each Party. All documents, which are published for achievement and development of current Memorandum, shall be integral parts of Memorandum.

In WITNETSS WHEREOF the undersigned representatives of the Parties being duly authorized to do so, in accordance with their law, have signed this Memorandum of Understanding.

Done at New Delhi on 29th October 2004 in two originals in Hindi, Uzbek and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

For the Government of The Republic of India	For the Government of the Republic of Uzbekistan
Sd/- K. Natwar Singh External Affairs Minister	Sd/- Sodyq S. Safaev Minister of Foreign Affairs

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INDIA'S FOREIGN RELATIONS - 2004

Section - VII
South - East Asia and East Asia

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(i) SOUTH EAST ASIA

ASEAN

225. Interview of External Affairs Minister K. Natwar Singh to the *Jakarta Post.*

Jakarta, July 2, 2004.

Democracy can provide 'long-term stability'

Question: What is your view about current relations — political and economic — between our two countries and how relations can further be strengthened?

Answer: India and Indonesia share historical and civilisational affinities going back centuries, and given our common experience of colonization, there was a close relationship between the leaders of our respective independence movements. Newly independent India provided substantial support to the Indonesian independence struggle, which finally emerged victorious in 1949.

Our nations were fortunate to be led by two great nationalist visionaries and leading world statesmen of their times, Sukarno and Nehru. The close bonds among them not only drew our countries together but also inspired the Afro-Asian Solidarity Conference held in Bandung in 1955, which as you know eventually led to the founding of the Non Aligned Movement in 1961.

Since the advent of the democratic reform era in Indonesia in 1999, our bilateral relations have prospered and grown in all areas. Politically, we are close geographical neighbors who share a maritime boundary with a mutual stake in each other's progress, prosperity, stability and territorial integrity. As pluralistic democracies and developing societies, we face similar challenges.

Our economic relations are growing. There are substantial Indian investments in Indonesia and bilateral trade has reached US$2.5 billion in 2003. However, much more needs to be done to exploit the full potential of these relations, and we are both committed to working together.

Question: The administration of former Prime Minister Vajpayee has laid a

strong foundation for the ties between India and ASEAN. Will there be any differences of approach in your government's policy toward ASEAN?

Answer: India's foreign policy attaches primary importance to relations with our immediate neighbors in South Asia Association for Regional Cooperation (SAARC) as well as in ASEAN. We remain committed to strengthening India's 'Look East Policy' and to constructing a long term partnership with ASEAN. Under the Framework Agreement concluded last year, we have just commenced negotiation of a Free Trade Agreement. We are also working on an India-ASEAN Summit in November this year. Politically, we completely share ASEAN's vision and the principles of harmonious and good neighborly relations established by the ASEAN Treaty of Amity and Cooperation, to which India acceded last year.

Question: India has become a regional superpower along with China and Japan. How should the three countries work together in enhancing political and security stability, and, no less importantly, the economic prosperity of Asia?

Answer: India shares excellent relations with both China and Japan. There is a tremendous potential for strengthening our cooperation with the two countries and for further consolidating our bilateral relations with them. With China, we are developing a long-term constructive and cooperative partnership. With Japan, we are currently engaged in concertizing out Global Partnership in the 21st century. As three major countries in Asia, India, China and Japan can make significant contributions for the growth and prosperity of Asia.

Question: There is fear among some ASEAN members that the inclusion of Pakistan and India in the ARF will only create problems for the forum because the two countries might try to use the forum to raise their bilateral concerns in a multilateral forum. What should your government and Pakistan do to ensure that such fears do not become reality?

Answer: Talking of such fears does not square with the facts as it is ASEAN which reached consensus in June 2003 to include Pakistan in the ARF. As regards India, our concerns were shared with ASEAN members and the ASEAN chair. The current chair of ASEAN thereafter sought and obtained an explicit assurance from Pakistan that it would not raise issues of a bilateral nature in the forum. This assurance paved the way for a consensus on

Pakistan's admission to the ARF, and I have every expectation that Pakistan will adhere to its commitment. India for its part has a long established policy of seeking to resolve all outstanding issues with Pakistan bilaterally rather than taking them to multilateral forums.

Question: Indonesia is now regarded as the world's third largest democracy after India and the United States. However, there are growing doubts here that the economy and democracy can develop together. According to your experience, how should Indonesia develop its economy while remaining true to the principles of democracy?

Answer: From India's own experience as a developing democracy for over five decades, it is amply clear that these perceived doubts and dilemmas are based on false premises. There is absolutely no evidence to sustain a correlation between authoritarian rule and economic growth or to indicate that democratic societies are unable to bolster rapid economic progress.

In fact, for developing societies it is even more essential to enjoy democratic, transparent and accountable governance, so that the primary focus of government policies and programs is on people-centered growth. People in developing societies naturally expect their governments to be proactive and sensitive to their needs to ensure the efficiency of public institutions and their delivery of social services.

It is the task of democratic governments to remain engaged and responsive to public needs, as economic growth cannot be an end in itself but rather a means to higher standards of living. Last but not least, for pluralistic societies like those of India and Indonesia, it is only democracy and its accountable institutions, which can provide long-term stability.

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226. Address by Prime Minister Dr. Manmohan Singh at the third India - ASEAN Business Summit.

New Delhi, October 19, 2004.

I am indeed very happy to have this opportunity to inaugurate the 3rd India-ASEAN Business Summit in our capital city of New Delhi. I extend a warm welcome to all delegates, especially our friends from ASEAN countries. I wish you all a fruitful and very pleasant stay in India.

Deliberations at the annual India-ASEAN Business Summits have enriched the deliberations at the Heads of Government level meetings. This is natural, since today economic and commercial contact increasingly determines the nature of state to state interactions. The movement of people, capital, goods and services is playing an increasingly important role in establishing a framework for governments to define relations among nations. Therefore it is fair to say that economic engagement has an impact on political relations between nations. In this context, I am confident that your deliberations will have a beneficial and a powerful impact on our deliberations at the India-ASEAN Summit in Laos next month.

The intensification of India's relationship with ASEAN is a vital element of our government's foreign policy. It is very important to note that our traditionally friendly relations have now acquired a multi-dimensional and multi-faceted character. This is the logical culmination of the process begun in 1992, when India first became a sectoral dialogue partner of ASEAN.

A decade ago we unveiled our "Look East" policy. This is more than a mere political slogan, or a foreign policy orientation. It has a strong economic rationale and commercial content. We wish to "Look East" because of the centuries of interactions between us. This tradition, and our faith in the principles of democracy and pluralism, bring all of us together. We also share a desire for a stable, secure and equitable, new order. The question of achieving stability and security in our region is also a common factor, particularly as we collectively face a threat from similar foes, who oppose our core values. Therefore, as we 'Look East' and you 'Look West', it is natural that we look at each other in this enterprise of restoring to Asia its rightful place in the comity of nations.

Today, India and ASEAN have joined hands on a whole array of issues, ranging from regional trade and investment cooperation, to interaction on

regional security. Our partnership is expanding to exciting new fields of science, technology and services. We are finding new ways to share our experiences and areas of expertise. There is a broad recognition of the enormous benefits flowing from greater integration between India and ASEAN.

The encompassing vision of such a closer integration is set out in the Framework Agreement on Comprehensive Economic Co-operation between India and ASEAN. What was envisaged was the creation of an India-ASEAN Regional Trade and Investment Area, which would include a Free Trade Area in goods, services and investment. This is to be achieved through progressive elimination of tariffs and non-tariff barriers in substantially all trade in goods, progressive liberalization of trade in services, with substantial sectoral coverage, and the establishment of a liberal and competitive investment regime that facilitates and promotes investment. I would like to take this opportunity to affirm once again that our Government will intensify the process of regional cooperation and integration between India and ASEAN.

Integration is a process that is being driven today, both by the technological revolution that shrinks distances, and by interconnected population. This is visible in the proliferation of regional co-operation mechanisms across the globe, including in our own region. Therefore, it is only inevitable that we seek to take the existing India-ASEAN relationship to a higher level, where we envision an Asian Economic Community, which encompasses ASEAN, China, Japan, Korea and India. Such a community would release enormous creative energies of our people. One cannot but be captivated by the vision of an integrated market, spanning the distance from the Himalayas to the Pacific Ocean, linked by efficient road, rail, air and shipping services. This community of nations would constitute an “arc of advantage”, across which there would be large-scale movement of people, capital, ideas, and creativity. Such a community would be roughly the size of the European Union in terms of income, and bigger than NAFTA in terms of trade. It would account for half the world’s population, and it would hold foreign exchange reserves exceeding those of the EU and NAFTA put together. This is an idea whose time is fast approaching, and we must be prepared for it collectively.

In preparing ourselves for this ambitious goal, there is much that we

have already undertaken. We have embarked on projects to interconnect existing roads and rail links, we are striving to increase flight services and destinations, to provide multi-modal transportation linkages and to provide optical-fibre supported communications. We are attempting to expand our partnership in the new knowledge economy, which dominates the world, covering areas such as information technology, communications and biotechnology. These new initiatives will bring us closer - physically and virtually - and create the necessary linkages, which will further bind our countries together.

However, we need to find ways of emphasizing the logic of such partnerships within our own countries. One such example of such an effort is the India-ASEAN Car Rally, which I hope to flag off next month from Guwahati. This rally will run through ten countries before finishing in Indonesia. It will dramatically symbolize the effort to forge new linkages, while embodying the spirit of our cooperation.

We are working towards completion of FTA negotiations between India and the ASEAN. A balanced expansion of trade will provide the best argument for local industries to embrace the potential benefit of these arrangements. Only if we exhibit pragmatism, flexibility and courage will India-ASEAN trade relations grow in a manner commensurate with its vast latent potential. In last year's business summit, we have already set ourselves the target of raising our trade to US $ 15 billion by the year 2005, and to US$30 billion by the year 2007. These are achievable targets, if we focus on commodities, which show great potential for trade, as some recent studies have clearly shown. We must ensure that our trade baskets increase qualitatively, in value terms, and in terms of the diversity of products in the trade basket.

The first fruits of trade liberalization will be available through the Early Harvest Programme, which provides for immediate tariff concessions. This is a confidence building measure and a harbinger of changes, which will follow in years to come. I sincerely hope that the chambers of commerce will effectively disseminate information on the concessions so that trade and industry in our countries, particularly small and medium enterprises, can take full advantage of the benefits available under the Scheme.

At the same time, it is essential to recognize that our different historical experiences, and our differing levels of development provide us with both a

challenge and an opportunity. The challenge of integrating economies at differing levels of development is evident, but the opportunity of learning from each other's experiences is also an investment in our future. We must therefore set ourselves the target of working with each other for our common, collective benefit.

Investment, as I have always said is, in the final analysis, an act of faith. The growing linkages between India and South East Asia are signs and symbols that mutual benefit and faith is growing. But I think it is evident to all that we can certainly do much better in this regard and we must commit ourselves to that noble goal.

As you know, our Government has set itself the objective of stepping up the rate of growth of our economy to at least 7 per cent to 8 per cent during the next decade. This acceleration of economic growth will require a substantial increase in the volume of investment in our economy, both domestic and foreign. We shall make every effort to promote such investment and to create a climate conducive for investors and entrepreneurs to use the productive capacities and resources of our people.

I recognize that for investments to flow improvements are required in our physical infrastructure and this area I assure you, will receive the highest priority of our Government. We have to create the right environment in which public-private partnerships can thrive, resulting not only in the efficient use of our resources but also in the efficient management and running of infrastructural services. We are now working towards the creation of a regulatory framework in infrastructure sectors that would be transparent and independent and which would be based on international best practices.

Our requirements of capital in infrastructure are indeed very large. The requirements of our airports and railways will alone amount to over $55 billion in the next ten years. Our power sector needs $75 billion and the telecom sector $25 billion over the next five years. We believe the Indian economy can absorb up to $150 billion of foreign investment in the infrastructure sector over the next ten years. There is, therefore, a large window of opportunity for ASEAN businessmen to invest in our country.

Equally, Indian business must invest in South-East Asia. We have some attractive examples of successful Indian enterprises in the region. But we need more, especially in the newly industrializing economies of

ASEAN where opportunities for new investment are presenting themselves. Indian businessmen must be more proactive in exploring markets and investment opportunities in South-East Asia and to build long-term durable relationships across the countries of the region.

Our State governments should also be proactive in developing mutually beneficial cooperation with the ASEAN region. The development of ports in West Bengal, Orissa, Andhra Pradesh and Tamil Nadu can re-build maritime links of the Coromandel Coast with South-East Asia. While in the North-East, the Central government is committed to developing the infrastructure of trade and development, there is much that our State governments can do to promote trade and commerce with countries of South-East Asia.

It is interesting to note that the eminent maritime historian, Sinnappa Arasaratnam, recalls in his classic work on "Maritime India" how "India benefited from the liberal regime that all Indian states permitted along the coast, and the autonomy they gave to the communities that dwelt there. This enabled the littoral states to develop in a fashion complementary to the interior and to function with little interference from groups that would not have understood the needs and demands of the predominant activity of commerce."

There is a lesson in this for all of us today. I would like to affirm that our government will be committed to policies that enable us to work more closely and more intimately with our neighbours, and to support the efforts of State governments in promoting business to business links between India and South East Asia. It is such mutually beneficial business links that will, in the final analysis, give meaning to our "Look East" policy. Moreover, it is this that will eventually give shape to the idea of an Asian century. With these words, I wish your deliberations all success.

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227. Speech of External Affairs Minister K. Natwar Singh to flag-off the Chalo ASEAN Car Rally.

New Delhi, November 15, 2004.

Please see Document No. 57.

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228. Remarks by Prime Minister Dr. Manmohan Singh at the flagging - off the 1st ASEAN Car Rally.

Guwahati (Assam), November 22, 2004.

Please see Document No. 60.

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229. Special media briefing by Secretary (East), Ministry of External Affairs Rajiv Sikri on Prime Minister's visit to Laos to attend the India - ASEAN Summit.

New Delhi, November 26, 2004.

Secretary (East) (Shri Rajiv Sikri) : Good afternoon ladies and gentlemen. As you know, the Prime Minister is leaving on Sunday morning for Vientiane (Laos) for the Third India-ASEAN Summit. This is now a regular event, the earlier two Summits having been held in Phnom Penh in 2002 and in Bali in 2003.

India, as you know, is one of ASEAN's four summit level partners, the others being China, Japan and Korea. This India-ASEAN Summit is held, as are the other summits, at the same time when ASEAN has its own regular summit. India-ASEAN relations have been growing very rapidly and diversifying in the last few years. ASEAN occupies increasingly important role in India's foreign policy. You would have seen the Prime Ministers own statements and observations at the time of the BIMSTEC Summit, the India-

ASEAN Business Summit on October 19 in Delhi, and his remarks at the India-ASEAN Car Rally flagging off in Guwahati. This year, this is evidence of the growing importance of India for ASEAN.

The Foreign Ministers of ASEAN and India will be having for the first time a meeting before the Summit. The Foreign Minister is leaving for Vientiane today because this meeting is tomorrow where all the ten ASEAN Foreign Ministers and the Indian External Affairs Minister will be meeting. It was not so in earlier years. This is a first this year.

The heart of the India-ASEAN relationship is, of course, the economic one. Our trade and economic relations are diversifying and growing quite rapidly. I do not have the latest figures but I think one year ago our trade was 13 billion dollars. It has probably gone up by about 10 per cent or more this year. There is a target of 30 billion dollars by 2007.

The India-ASEAN Business Summit, which was meant to act as a catalyst and create greater awareness of the opportunities, has become a regular fixture on the eve of the India-ASEAN Summit. We have agreed to set up an ASEAN-India Business Council at the last Economic Ministers Meeting of India and ASEAN.

At the Summit, the leaders of India and ASEAN expect to conclude a partnership document called the India-ASEAN Partnership for Peace, Progress and Shared Prosperity that will set out our collective vision on how we see the future of India-ASEAN relations in the coming decades. This is a document which has been in preparation for a while with inputs from non-official sources, think tanks, academics, not only within India but also within ASEAN. RIS in India has been coordinating this. So, they got all the inputs from different elements of society and then it has moved to the Track-I and now we hope that this will be signed at the forthcoming Vientiane Summit. This would set out the different directions of our relations in the political, economic, HRD, science and technology, health, agriculture, cultural, and so on and so forth. There is also cooperation in the field of counter-terrorism. As you are aware, last year there was a joint declaration to cooperate in countering terrorism.

The India-ASEAN relationship, as I mentioned, is quite broad and diversified. We are looking at the operationalisation of the comprehensive economic cooperation agreement shortly. We have got special programmes

for the CLMV countries. CLMV is Cambodia, Laos, Myanmar and Vietnam, which is a recognized grouping within ASEAN. They have ASEAN zone programme called Initiative for ASEAN Integration in which India is playing an active role. As part of that we have agreed to set up entrepreneurship development centers in all these countries. The first one in Laos will be inaugurated during the visit.

The other element, which I think I should stress, is the importance of connectivity between India and ASEAN. I think this was dramatized when the India-ASEAN Car Rally was flagged off in Guwahati on 22nd of November by our Prime Minister. It is on its way now and in Myanmar. It would be reaching Vientiane at the time of the Summit. The leaders of India and ASEAN will be flagging off this Rally on its next stage.

We are also looking at highway construction between India, Myanmar and Thailand. There are projects for railways which are on the anvil. As you are aware, the Prime Minister inaugurated a section of the Giribam-Imphal Road, when he went on his recent visit. We hope that over time there could be some real connectivity if it is technically and otherwise feasible.

Just a few words on the programme. The Prime Minister leaves on Sunday morning. The Summit itself is actually on the 30th but there will be a lunch which is being hosted by the Laos side for all the Heads of State and Government who will be assembled there. That includes the ten ASEAN countries, India, China, Japan, Korea, Australia, and New Zealand also this year.

There will be the formal meeting, there will be signing of the Partnership Document, the flagging off of the Car Rally, and of course, on the preceding evening, on the 29th there is no official banquet. There is a gala dinner on the 29th evening. As is normal on such occasions, the Prime Minister will be having some bilateral meetings there. These are still being worked out. Some will be on the 28th, some on 29th, and some maybe on the 30th. It depends on the convenience concerned but I think he will be meeting some of his counterparts within ASEAN as well as outside ASEAN. He will also get an opportunity to meet with some Lao dignitaries. I understand the Ambassador is having a reception there on the 28th itself.

So, that in brief is a perspective of the Prime Minister's visit to Laos for India-ASEAN Summit and a brief outline of his programme there.

Question: Will Prime Minister Manmohan Singh meet the Chinese premier in Laos?

Secretary (East): It is quite possible that some meeting will come through.

Question: Will he meet the Japanese Prime Minister?

Secretary (East): As I said, all these meetings are being worked out. The schedule is quite tight there because the ASEAN leaders and other leaders are having their own series of meetings. Then there are occasions when the Plus-3 – China, Japan and Korea –are having meetings, and then the CLMV countries are having their meeting. So, it is a sort of a scheduling problem which has to be worked out.

Qeustion : In which year is the FTA agreement going to be operational?

Secretary (East): The main FTA starts in 2006.

Question : Will Prime Minister Manmohan Singh take up the issue of ASEAN + 3 being expanded to ASEAN + 4? Also, how are New Zealand and Australia being associated with ASEAN?

Secretary (East) : The Prime Minister's vision of an integrated Asian community has been spelt out by him in his address at the India-ASEAN Business Summit. I think that gives you the perspective. The ASEAN's Summits with China, Japan and Korea predate ours. That has become an established framework and the India and ASEAN Summit has its own place in the ASEAN priorities.

Question : Prime Minister talked about the connectivity between the North-East and ASEAN during his recent visit there and making North-East a gateway to South-East Asian nations. Are there any plans for greater connectivity between the Andaman and Nicobar Islands and ASEAN?

Secretary (East) : Yes, in fact, as I recall, when Prime Minister Vajpayee went to Thailand last year there was an agreement between Phuket and Port Blair. This is the land connectivity but you are absolutely right that there are plans to have connectivity by sea, improve it by air. You are quite aware that over the last one year there has been a great improvement in air-connectivity between the ASEAN countries and India under the offer that the Prime Minister of India had made at the Bali Summit.

We see that there is a great interest and demand for much better connectivity. Maybe we can in the future look at some coastal services or luxury tourism and shipping lines and so on and so forth. So, all this is very much in the realm of possibility in the longer term perspective.

Question : Any special agenda or theme for the India-ASEAN Summit?

Secretary (East) : The leaders do expect to sign this document on the partnership for peace, progress and shared prosperity which will set out the vision of the leaders of ASEAN and India for the coming decades. But this is an occasion for a general exchange of views on regional and international issues, reviewing the ASEAN relations in general because it is an annual summit. So, everything is covered.

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230. Statement by Prime Minister Dr. Manmohan Singh on the eve of his departure for Vientiane to attend the India – ASEAN Summit.

New Delhi, November 28, 2004.

I am leaving for Vientiane, Laos today to participate in the 3rd India-ASEAN Summit that will be held on November 29-30. India attaches high priority to strengthening and expanding the scope of our mutually beneficial relations with our neighbours to the East with whom we have profound civilisational ties. These have translated into a long history of peaceful interaction, friendship, cultural bonds and people-to-people exchanges.

The India-ASEAN partnership is steadily expanding and deepening. I look forward to meeting and exchanging views with my counterparts in the ASEAN countries on both regional and international political and economic issues, and on taking forward our partnership in diverse areas. We expect to conclude a long-term partnership document between India and ASEAN during this Summit. This document is the outcome of discussions between the Governments. It is significant that other stakeholders, outside governments, have also participated in the process of developing this partnership document and their views too are reflected

in this. This inclusive approach should give added momentum to this partnership between India and ASEAN[1].

As you are aware, the 1st India-ASEAN Car Rally was flagged off by me in Guwahati on November 22. The leaders of ASEAN and I will be flagging off the Car Rally on its next leg at Vientiane. This will focus much-needed attention of people in both India and in the ASEAN countries on the imperative need to develop better road connectivity between India and our ASEAN neighbours, on upgradation of infrastructure, and in promoting tourism, trade and economic relations as well as people-to-people contacts between us.

During my stay in Vientiane, I will also get an opportunity to interact with leaders of China, Japan, South Korea, Australia and New Zealand who will also be in Laos at that time. I expect to have bilateral meetings with several leaders who will be in Vientiane.

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1. The Prime Minister on arrival in the Laotian capital Vientiane termed India as one of the fastest growing economies and said a long-term agreement with the ASEAN countries would provide a new dimension to her relations with a powerful 10-nation grouping. "A new India is on the horizon" and the future "lies in working together", he said. It would provide a new dimension to India's relations with the ASEAN countries, the Prime Minister said adding that India attached high priority to strengthening and expanding the scope of her mutually beneficial relations with "our neighbours in the East with whom we have profound civilizational ties". The External Affairs Minister K. Natwar Singh who was in Vientiane ahead of the Prime Minister described the document that India and the ASEAN countries were to sign, as a "landmark" document "which incorporates a plan of action for even more intensive cooperation on political and security issues as well as in the economic, social and cultural fields." "It is indeed a matter of gratification that a number of new dimensions such as cooperation in remote sensing, space technology and information technology have been added to our two millennia old cultural, religious and civilizational links" , he added. The External Affairs Minister expressed the confidence that trade among India, China, Japan, South Korea and the ASEAN Grouping could pave the way for an Asian Econonmic Community. "We have set ourselves a target of US $ 30 billion by 2007 for our trade. Given our growing economic strength and size of our combined population this is an achievable target", Mr. Natwar Singh told a business forum in Vientiane.

231. Declaration issued at the end of the India - ASEAN Summit: Partnership for Peace, Progress and Shared Prosperity.

Vientiane, November 30, 2004.

We, the Heads of State/Government of Brunei Darussalam, the Kingdom of Cambodia (Cambodia), the Republic of Indonesia (Indonesia), the Lao People's Democratic Republic (Lao DPR), Malaysia, the Union of Myanmar (Myanmar), the Republic of the Philippines (the Philippines), the Republic of Singapore (Singapore), the Kingdom of Thailand (Thailand) and the Socialist Republic of Viet Nam (Viet Nam), Member Countries of the Association of Southeast Asian Nations (collectively, "ASEAN" or "ASEAN Member Countries", or individually, "ASEAN Member Country"), and the Republic of India (India) gathered in Vientiane, Lao PDR, on 30th November 2004 for the 3rd ASEAN-India Summit;

ADHERING to the principles and purposes of the Charter of the United Nations, the Five Principles of Peaceful Co-existence and other universally recognised principles of international law;

REAFFIRMING our faith in, and respect for, each other's independence, sovereignty, territorial integrity, non-interference in the internal affairs of other states, mutual respect and mutual benefit;

BOUND TOGETHER by our shared rich and valuable heritage of civilization, culture, and peaceful economic and social interaction and linkages extending over two millennia as well as by the pluralistic, multi-religious and culturally diverse nature of our respective societies;

NOTING with deep satisfaction that the close cooperative and multifaceted partnership, which our countries have fostered, encompassing the political, security, economic, scientific and technological, human resource development, social, cultural and other areas of mutual interest that provides a solid foundation for taking the ASEAN-India partnership to greater heights and new areas;

DETERMINED to optimally utilize our talented and youthful human and rich natural resources, and more competencies in many state-of-the-art technologies and knowledge-based industries;

CONVINCED that ASEAN-India cooperation serves the essential interests of their peoples and is essential for promoting peace, stability, development and prosperity in Asia and the world;

ASPIRING to play a more active role and to meet the political, economic, social and other challenges facing our region in the coming decades, and in helping to shape the world of the 21st century;

RECALLING the Joint Statement issued after the 1st ASEAN-India Summit Meeting in Phnom Penh in November 2002 and the agreements and understandings reached during the 2nd ASEAN-India Summit Meeting in Bali in October 2003; and

ATTACHING great significance to the Framework Agreement on Comprehensive Economic Cooperation between ASEAN and India signed in Bali for realizing the full potential of ASEAN-India Regional Trade and Investment Area (RTIA) and economic cooperation.

HEREBY commit ourselves to:

Foster friendship, good neighbourliness, peaceful co-existence and prosperity in the region;

- Promote a long term co-operative partnership based on equality, shared ownership and mutual respect which will enable us to impart synergies to our respective strengths and complementarities to achieve our respective long-term national and regional development goals;
- Cooperate in a coordinated manner to accelerate and mutually reinforce sustainable growth and development of our economies towards shared prosperity, poverty alleviation and reduction of social disparities, to enable our people to enjoy unhindered access to opportunities for development;
- Co-operate in strengthening the UN system, including support for early reforms of the United Nations and the Bretton Woods institutions to make them more democratic and responsive to the priorities of its member states particularly, the developing countries;
- Co-operate in other multilateral fora, in particular the WTO, greater equity and greater benefits from globalization for the developing

countries;

- Jointly address the common challenges to our comprehensive political and economic security, including food, human and energy security;
- Cooperate in combating the menace of international terrorism and other transnational crimes such as trafficking in drugs, arms smuggling, human trafficking particularly in women and children, cyber crimes, international economic crimes, environmental crimes, sea piracy and money laundering, through effective institutional linkages and programmes of co-operation giving priority to information exchange and capacity building;
- Collaborate in areas of general and complete disarmament, and in the non-proliferation of weapons of mass destruction under strict and effective international control;
- Take full advantage of the geographical contiguity of Southeast Asia and India and synergies the strengths of these two significant economic regions to act as powerful engines of growth;
- Give high priority to development of regional infrastructure and road, rail, sea and air transportation links to increase physical connectivity that would facilitate greater movement of goods and people;
- Facilitate travel and tourism between ASEAN and India by developing links of tourist centres to enhance synergies of tourism destinations;
- Promote co-operation in science and technology, in particular information development and commercialization of new technologies;
- Work through both conventional and innovative trade and economic arrangements, and full implementation of the ASEAN-India free trade area by 2011 for ASEAN-5 and India, 2016 for the Philippines and India and by 2011 by India and 2016 by the 4 new ASEAN Members Countries, including the early implementation of the Early Harvest Programme, to achieve freer movement of goods, services, investment, and co-operation in other economic areas;
- Reiterate full support for the implementation of the Declaration of ASEAN Concord II, leading to the formation of a more integrated

ASEAN Community comprising the ASEAN Security Community, the ASEAN Economic Community and the ASEAN Socio-Cultural Community;

- Co-operate to help bridge the development gap among various regions and countries, including through support to the Initiative for ASEAN Integration and sub-regional growth areas in ASEAN, and cooperation schemes between ASEAN Member Countries and India;
- Promote co-operation in human resource development, through capacity building, strengthening of institutions, training and entrepreneurship development focusing on small and medium enterprises;
- Promote people-to-people exchange involving, among others, parliamentarians, youth, artists, sportspersons and representatives from business, industry, media, academic and think-tank institutions; and
- Preserve our cultural heritage, and promote cultural co-operation for better understanding and friendship among our peoples.

Institutional and **Funding Arrangements for Implementation :**

To realize the objectives of the ASEAN-India Partnership, the following measures will be taken:

ASEAN and India will implement specific activities and projects as contained in the attached Plan of Action;

- ASEAN and India will strengthen the existing funding mechanisms, including the ASEAN-India Co-operation Fund, for effective co-operation and implementation of the ASEAN-India Partnership and Plan of Action;
- ASEAN and India are committed to providing requisite resources and in accordance with their respective capacities, including mutually exploring effective and innovative external resource mobilization efforts, to accomplish the various strategies and measures outlined in the Plan of Action;
- The progress made in the implementation of the ASEAN-India

Partnership and the Plan of Action will be reviewed by the Senior Officials and the Foreign Ministers of ASEAN and India under the ASEAN-India Dialogue Relations; and

- The Plan of Action will be reviewed periodically taking into consideration the dynamic developments in the region and the world.

Signed in Vientiane, Lao PDR this Thirtieth Day of November in the Year Two Thousand and Four in two originals in the English language.

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232. Statement by Prime Minister Dr. Manmohan Singh on return to New Delhi from Laos.

New Delhi, November 30, 2004.

"I have returned this evening from a journey to Vientiane in Laos where I participated in the India-ASEAN Summit. This was a journey which in some senses began more than a decade ago when we started to look eastwards as part of our essential foreign policy orientation.

The end of the Cold War and dissipation of bloc rivalries opened up new possibilities for regional economic co-operation. This created the space for our turning Eastwards to engage with ASEAN, which even then had the potential to become a catalyst of economic integration in our region. Since that time ASEAN has enlarged and grown stronger. Our own economic growth has been steady and sustained. The potential for beneficial co-operation was seen by both sides at this time and has become increasingly apparent.

The ASEAN Summit partners together account for half the world's population, a trade turnover larger than NAFTA, an income level comparable to the EU, a huge manufacturing hub and a massive market. The logic of our partnership with ASEAN is self-evident.

Earlier this afternoon I met the leaders of the ten ASEAN states in a formal Summit format. Our deliberations concerned a broad range of issues – regional and international, and an analysis of the experience and potential

of India-ASEAN co-operation.

I proposed several initiatives to my ASEAN colleagues. These include the offer of concessional lines of credits of up to $200 million for collaborative projects within the ASEAN countries, an India-ASEAN high speed optical fibre link, development of a net portal through which ASEAN members would be able to utilise a system we have developed called 'Shruti-Drishti' for visually impaired persons to use the Internet, joint R&D of medicines and cross-border disease control, as well co-operation in the field of agriculture including exchange of germplasm and harmonisation of regulatory mechanisms. We have also proposed hosting a workshop to evolve a concept paper on an Asian Economic Community which would encompass India, ASEAN, Japan, China and Korea.

Over and beyond the formal summit there were other important events and meetings. I joined the Prime Minister of Laos and ASEAN leaders in flagging off the 2nd leg of the India-ASEAN Car Rally this afternoon. Only last week, on the 22nd I had flagged off the Rally at its start in Guwahati. This event has illustrated most graphically the links that bind India and ASEAN, and the potential that good connectivity between us will unleash.

ASEAN meetings are notable for the opportunities for other interaction on the margins. I had very rewarding meetings with the President and PM of Laos.[1] I had separate bilateral meetings with other ASEAN dignitaries - the President of Indonesia[2] and PMs of Vietnam[3] and Singapore. I also had significant meetings with other dignitaries who were present for their own Summits with ASEAN leaders. This morning I met the Prime Ministers of

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1. To the Laotian Leaders Dr .Manmohan Singh offered assistance in the filed of information technology, while discussing matters of mutual bilateral interest. Earlier, on November 27 when the External Affairs Minister and the Laotian Minister Phimmasone Leuangkhamma jointly inaugurated the Lao – India Entrepreneurship Development Centre in Vientiane, Mr. Singh expressed India's sustained commitment to support Cambodia, Laos, Myanmar and Vietnam in developing indigenous entrepreneurship and in integrating more closely with other ASEAN economies. The new centre in Vientiane is the first of the four units planned to be set up in these countries at a total cost of $ 4.6 million.
2. During the Prime Minister's bilateral meeting with the Indonesian President, the latter sought defence cooperation in countering terrorism and joint patrolling in the seas to ensure maritime security through an institutional arrangement. The National Security Advisor J. N. Dixit briefing newsmen said Dr. Manmohan Singh expressed the view that stretching from Afghanistan to Philippines this was a common predicament and what was needed was a bilateral and multilateral arrangement to a collective stand against this menace.
3. While meeting the Vietnamese leader, the Prime Minister particularly assured him of Indian

China[1] and Australia and last evening I met the Prime Minister of Japan.[2] PM Koizumi in particular welcome my proposal for creating an "arc of stability" and prosperity through an Asian Economic Community as a counterpoise to the arc of instability to our West.

This is a process of regional economic integration on which we have embarked. During my visit we placed two concrete markers; we signed a document entitled the ASEAN-India partnership for Peace, Progress and Shared Prosperity which contains the vision for our future co-operation. This document has not just been proposed and agreed by government, but has also benefitted from inputs from others in industry, academia, think-tanks etc. We also agreed on implementing the Early Harvest provisions of the India-ASEAN FTA signed in Bali last year. We hope to implement this soon and this will give a fillip to this process."

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help in Vietnam's efforts to join the World Trade Organization besides assistance in the field of information technology.

1. According to media reports 40-minute with the Chinese Prime Minister Wen Jiabao marked a significant step in that the meeting emphasized the continuity of the post-1988 positive policies on both the sides while looking towards an upswing in all areas, including political progress in resolving the boundary question. These Chinese Prime Minister took opportunity to confirm to Dr.Manmohan Singh his plan to visit India in March 2005 adding that this was "the most important event of my agenda next year". He expressed the hope that his "visit will send a positive signal throughout the world". Shaking hands with the Indian Prime Minister, the Chinese Prime Minister significantly remarked, "the handshake between you and me will catch the attention of the whole world". He said it was the conviction of the Chinese Government that positive relations between the world's two most populous countries which had political and economic significance in both regional and global terms, should be expanded in all spheres. Noting that Sino – Indian boundary question was a complex issue, he remarked: "To be frank, resolving (it) …is by no means an easy task. It calls for confidence and patience". He expressed the view that the complexity of the question and the delay in resolving it should not be allowed to a slow down in other ingredients of the relationship. Prime Minister Manmohan Singh concurring emphasized the need to expand trade, economic and technological interactions. The two leaders agreed that there was not enough people-to-people interaction and there was need to enhance these contacts. Observing that the earlier four rounds of Special Representatives talks had done 'useful work', Dr. Manmohan Singh looked forward to further progress along this political route to the resolution of the boundary question. Agreeing with the Chinese Premier that the problem left over by history required "give and take" and could be resolved on the basis of "mutual understanding, mutual accommodation and political will", the Prime Minister added a caveat: "Any accommodation must take into account ground realities". In response to the hope expressed by Dr. Singh that the Chinese Government would complete the process of acknowledging Sikkim as part of India, the Chinese Premier said: "a decision has already been taken…we will certainly gradually implement the decision".
2. During the meeting with the Japanese Prime Minister it was particularly agreed to set up a multi-disciplinary group to enhance economic ties focusing on trade, investments and information technology.

BIMSTEC

233. Media briefing by Special Secretary (Economic Relations) Rajiv Sikri on PM's visit to Thailand for BIMSTEC Summit.

New Delhi, July 28, 2004.

Official Spokesperson: Good Afternoon. Welcome to this special briefing by Mr. Rajiv Sikri, Special Secretary (ER). He is accompanied by Mr. Bhandari, JS (MER). This is for the Prime Minister's visit beginning tomorrow for the BIMSTEC.

SS (ER): Good Afternoon. As you may be aware, this is going to be the first summit of BIMSTEC. So far there have been only ministerial level meetings. Six meetings have been held since the organization was set up in 1997. The last meeting took place in Phuket, Thailand in February this year. The original idea was that the summit should take place at that time but because of the prevailing political situation in India, it was agreed by all the members that it should be put off till the end of July.

BIMSTEC is a regional organization that was started in 1997. Originally it had only four members – Bangladesh, India, Sri Lanka and Thailand. Later, in December 1997, Myanmar was added and in February this year Bhutan and Nepal also joined as full members. Ministerial meetings take place annually and every six months there are meetings at the senior officials' level. Apart from the Foreign Ministers, the Trade and Economic Ministers have also been meeting annually since 1998 and they have held five meetings so far.

When BIMSTEC was set up and in the course of its evolution, six broad priority areas of cooperation were identified. Each of these areas has a lead country. India is the lead country in Transport and Communications, Bangladesh in Trade and Investment, Myanmar in Energy, India in Tourism, Sri Lanka in Technology and Thailand in Fisheries. At the last meeting held in Phuket, the BIMSTEC framework agreement on the Free Trade Arrangement was signed. These are no doubt already available to you because this was something that happened in February this year. It has also been agreed at the Phuket meeting that in addition to these areas, it would be desirable to concentrate on new areas like hydrocarbons and hydropower potential development, people to people contacts, greater air

transport liberalization, short sea shipping, tourism etc. This is an expanding agenda. There was also some progress on developing people-to-people contacts, where a youth football tournament was organized in Phuket. There is interest among all the countries to develop contacts between parliamentarians, media, students and think-tanks.

BIMSTEC is a regional grouping that encompasses about 1.3 billion people and a GDP of about US$ 750 billion. So far the intra-regional trade turnover in BIMSTEC is quite small. It is only about a small percentage of the overall trade of the BIMSTEC countries. Typically, regional organizations constitute a large percentage of the trade and investment of all countries but this is not so in the case of the BIMSTEC countries, which just goes to show that there is considerable potential for expanding the trade and investment in this region. A lot of interest has been shown in this organization and many organizations and think-tanks like EXIM Bank have done studies in this regard to explore and discuss the potential in this regard. I should also mention that the FTA of BIMSTEC is not only (for) trade in goods but also envisages the coverage of investments and services.

There is a huge amount of hydropower potential in this region. There is also the hydrocarbons sector. Myanmar is rich in gas, as is Tripura, as well as Bangladesh. If there is cooperation one could exploit these resources to mutual benefit. Regional cooperation in general has become of increasing importance in recent years and BIMSTEC is just following this broad global trend. As you are aware there is a growing relationship between India and ASEAN. ASEAN is itself a very dynamic region. There is process of integration in South Asia under SAARC. BIMSTEC acts as a very useful bridge between South and South East Asia. It can also play a very important role in the development of the North-Eastern region which could well become the centre of a new, integrated economic space encompassing South and South-East Asia. This is very natural region for integration. There is geographical contiguity among the members. Historical, cultural, economic and people-to-people links have existed between the people of the countries on the Bay of Bengal over the centuries. It has been a very peaceful interaction. The objective of BIMSTEC is to explore all these possibilities to the fullest to see how we can exploit the synergies and the complementarities that exist in this region for mutual benefit.

Question: You said that the turnover is small. Can you quantify it in terms of regional trade?

Answer: Well, I have some figures. In 2003, India's trade with BIMSTEC was US$ 3.7 billion. This is only about 3.5-4 % of our global trade. I have some statistics for six countries. These are 2001 figures but they will give you an idea. Bangladesh - only 10.14% of its trade was with the BIMSTEC countries, India had a figure of 4.12%, Myanmar – 27.63%, Nepal – 43.09%, Sri Lanka – 8.33%, Thailand – 2.19%. As you can see, apart from Nepal and to some extent Myanmar, the trade of the other countries amongst the region is very small and therefore there is a reason to believe that it could greatly expand.

Question: What specific projects will be discussed?

Answer: There are various projects which are on the anvil. Some meetings, discussions, project profiles have been prepared. But when the meeting is held at higher levels, particularly at the Summit level, the idea is always to see that one can reach closure on some issues and projects. It signifies the desire of the countries in the region to explore all the possibilities that do exist for exploiting the enormous untapped potential that does exist.

Question: BIMSTEC has been around for close to 7 years now. This is the first Summit. What is the main thrust for BIMSTEC?

Answer: Well, it is the first Summit but you know all regional organizations need a little time to take off. The first few meetings of BIMSTEC were not at the full Ministerial level. It was only the last two meetings – at Colombo in December 2002 and at Phuket in February 2004 that were at full Ministerial level. So, it is a gradual process. The fact that there was agreement that there should be Summit level meeting means that the Ministers felt that there was sufficient scope that they should try and involve their leaders to give a push to this organization.

Question: The main thrust at this Summit…

Answer: I would not like to anticipate what the leaders are going to decide.

Question: FTA arrangement will be implemented in which year and in which sectors of the economy?

Answer: The Framework Agreement envisages a fast track and a normal track. There is a certain differentiation for the Least Developed Countries – they will take a little longer to give concessions whereas they will get the concessions much faster. So, India, Sri Lanka and Thailand will give the concessions to the LDC parties under the fast track between 2006-2007 i.e. one year and to each other over three years. The LDC countries among themselves will take three years (to give concessions) to each other and five years to the non-LDC countries. Similarly, under the normal track which would start in 2007, the developing countries will give to the LDC parties over three years, but to each other over five years and the LDC countries would give it to the developing countries over ten years but amongst themselves over eight years. So, the basic principle is that the LDC countries require more concessions early and in order to give the concessions they will get a little more time. This is the normal principle which has been followed.

Question: It will take over a decade for full implementation?

Answer: The full implementation will be in 2017.

Question: Do you have any proposals to include more countries within this ambit? Have you received applications from other countries?

Answer: There are no new applicants. Bhutan and Nepal were included in BIMSTEC as full members. Nepal was an Observer for many years. But now both Nepal and Bhutan have been included as full members in February 2004. There is no proposal to expand the membership and it was decided at the Phuket Ministerial meeting that the focus should be on consolidation and producing practical results.

Question: Any proposal for Special Observers?

Answer: There is no such proposal.

Question: Does the inclusion of these two countries mean change of nomenclature of this organization?

Answer: Some suggestions have been made but there is no conclusion on that.

Question: There was a proposal for a highway from Kolkata to Bangkok. What happened to that proposal?

Answer: There is a trilateral highway project between India, Myanmar and Thailand, which is underway. The discussions are proceeding – there are technical and financial teams. I believe next month there are some more discussions which are to take place on this matter. As you know, we have also upgraded some roads or built some roads in Myanmar. This highway will further extend deeper into Myanmar and eventually it will connect up to Bangkok.

Question: Can you give more details about this project? When can it be completed?

Answer: On when it can be completed, a lot would depend on the technical parameters, and the financing because these are very high value projects. You also have to look at the alignment. As I said there are two task forces – one is on financial matters and the other on technical matters. The Foreign Ministers also met in December in Delhi and reviewed the progress and more detailed discussions are being held at the Senior Officials level at the technical level. As I said, the next meeting of the Senior Officials is to take place in a month or so.

Question: Any deadlines have been set up for this?

Answer: There is no deadline. The general objective is to complete it as early as possible.

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234. Statement by Prime Minister Dr. Manmohan Singh on the eve of his departure for Bangkok for BIMST-EC Summit.

New Delhi, July 29, 2004.

I leave today on an official visit to Bangkok to participate in the first BIMST-EC Summit being hosted by Thailand.

BIMST-EC, comprising Bangladesh, India, Myanmar, Sri Lanka, Thailand, Nepal and Bhutan, is intended to strengthen regional cooperation among countries on the rim of or those seeking access to the Bay of Bengal.

BIMST-EC acts as a bridge of mutual understanding and cooperation between South and South East Asia. It is an integral part of India's 'Look East' policy. The developmental imperatives of our North-Eastern region are also an important element of our approach to BIMST-EC.

The main objectives of the Summit are to provide political direction and impetus to regional cooperation and to explore the possibility of moving forward on specific projects that would strengthen regional integration through better inter-connectivity amongst BIMST-EC countries, and to realize the full potential of cooperation in the fields of trade and investment, technology, transportation, communication, energy, tourism and fisheries. India hopes that the Summit discussions will be productive and result oriented. The objective is also to realize the common vision of shared prosperity and growth in our region.

I also look forward to a number of bilateral meetings in Bangkok, with Thailand, the host country, as well as Heads of State/Government of other participating countries, all close neighbours and friends of India, on the margins of the BIMST-EC summit.

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235. Speech by Prime Minister Dr. Manmohan Singh at the inaugural session of the BIMST-EC Summit.

Bangkok, July 31, 2004.

Mr. Chairman,
Excellencies,
Ladies and Gentlemen,

I begin by congratulating the Prime Minister of Thailand for assuming the Chairmanship of the first BIMST-EC Summit and for his inspiring Opening address. I also wish to thank the Government of Thailand for its warm and gracious hospitality. This is my first overseas visit as the Prime Minister of India and I am gratified to be here in this beautiful land of Thailand. Mr. Chairman, yours is a country with which we have enduring and historical bonds and this occasion represents a new phase in a partnership, which has been mutually enriching. I take this opportunity to extend a very hearty welcome to Nepal and Bhutan as new members of BIMST-EC.

Excellencies, we in India view our quest for closer and mutually beneficial ties with all our neighbours as a logical response to the challenges with which contend. These challenges that we must address and overcome are varied and disparate. The world continues to be riven by poverty, inequity, disease and highly skewed access to resources at a time when science and technology have placed solutions within our reach. The global political environment fosters insecurity, making our task even more complex, and our endeavors more urgent. The intolerance bred by religious extremism can divide societies and people and we neglect it at our own peril. The scourge of terrorism is unfortunately one with which we all must grapple – as a global phenomenon and as an everyday reality. The areas of conflict are coming closer to us.

But, Mr. Chairman we cannot stay our efforts. We have to work – we have to work for peace and for security, and to create a new climate in which we can concentrate on our primary responsibility – a better life for all our peoples. The solutions to some of these problems lie with Governments. Equally, we have to reach out beyond, to find imaginative answers to intractable issues. This is the way we have chosen in India. It is this perspective – that the many dimensions of the challenges we face can only be solved by working together that brings us here today in this beautiful

city of Bangkok. A global order, which is better representative and more responsive to the needs of our times, must include the reform of the United Nations and a restructuring of the Security Council.

Excellencies, in that spirit, I deem it a privilege to be present on this occasion along with our close neighbours and friends representing the BIMST-EC countries. We belong to a region with many natural complementarities. Our bonds run deep in time, strengthened by strong economic, cultural and civilizational links. The colonial intervention over the last two centuries may have weakened these links somewhat, but has not in any way diminished the yearning of our people to revive them. We see BIMST-EC as a collective and effective forum for giving full expression to the widely rediscover the coherence of our region based on the commonality of many linkages around the Bay of Bengal.

Regional integration is not antithetical to globalisation, but can be a useful building block. Our collective endeavours can be more than the sum of our individual efforts. BIMST-EC offers us the hope and the opportunity to fulfil this imperative of our times.

We consider our participation in BIMST-EC as a key element in our 'Look East Policy' and long standing approach of good neighbourliness towards all our neighbours — by land and sea.

The challenge before us is to transform the richness of our human and natural resources into cooperative regional activities promoting development, enhancing prosperity and the well-being of our people, and ensuring our collective security in all its multifarious dimensions.

We need to translate our inherent strengths of geographical contiguity into a community of prosperity and goodwill. Interconnectivity — physical, economic or technological — is of prime importance in building bridges of understanding. We can achieve this long-term vision of shared prosperity and growth through cooperative action based on dialogue and fostering mutual confidence, focussing on aspects that unite us.

Considerable progress has already been achieved in terms of a Framework Agreement on Free Trade and valuable expert-level studies under the six listed areas of cooperation. For instance, we consider the trilateral India-Myanmar-Thailand Highway proposal and the proposed Optical Fibre Telecommunication Link alongside the Highway as projects,

which would have considerable importance in the BIMST-EC context.

For a region that is so richly endowed with energy resources, it is imperative that we address the need for their optimal utilization to meet our growing energy demands. In this context, India would be happy to host a Ministerial Conference on Energy Cooperation in the year 2005 to provide an impetus to our joint efforts in this area.

The vagaries of climate and weather in our region concern us all. We have had floods in some places and drought in others. To enable all BIMST-EC countries to pool their scientific resources and to benefit from weather forecasting India is prepared to set up a BIMST-EC Centre on Weather and Climate in New Delhi. India would also be willing to share its expertise in remote sensing for agriculture, environment and disaster management.

To further explore the vast potential that exists for increasing tourism within our region, India proposes to host a Round Table and Workshop of Tourism Ministers of BIMST-EC countries, with the participation of tour operators, hotel representatives and others associated and with the tourism industry with the objective of at least doubling tourism within BIMST-EC region in the next five years.

We are also happy to announce 150 scholarships for next year under the ITEC Programme for BIMST-EC countries, in addition to the 150 scholarships offered by India at the Ministerial Meeting in Phuket in February this year. All our countries are richly endowed in traditional systems of medicine. Mr. Chairman, you referred to the vast potential of our herbal resources to find new remedies to HIV/AIDs. India offers 30 scholarships in this field to enable a productive partnership amongst BIMST-EC countries.

The statement to be issued on the conclusion of this Summit should reflect, as I am sure it will, the collective will of our Governments to carry forward the BIMST-EC vision of mutually beneficial regional cooperation through specific projects. Our mutual confidence would of course be greatly enhanced if we were able to forge a common front against terrorism, gunrunning, narcotics trafficking, which in varying degrees affect us all.

Mr. Chairman, Thailand has played a pioneering role in bringing the BIMST-EC idea to fruition and we thank you for staying the course and for your leadership role. It is now our collective responsibility to carry it forward towards purposeful cooperation. In achieving the objectives of BIMST-EC,

I would like to reaffirm India's firm political commitment to regional cooperation for mutual benefit and wholehearted support and cooperation with our BIMST-EC partners so that we succeed in our efforts to translate ideals into meaningful cooperation on the ground.

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236. Declaration issued at the end of BIMST-EC Summit.

Bangkok, July 31, 2004.

We, the Prime Minister of the People's Republic of Bangladesh, the Prime Minister of the Kingdom of Bhutan, the Prime Minister of the Republic of India, the Prime Minister of the Union of Myanmar, the Prime Minister of the Kingdom Of Nepal, the President of the Democratic Socialist Republic of Sri Lanka and the Prime Minister of The Kingdom of Thailand gathered in Bangkok, Thailand, on 31 July 2004 for the first BIMSTEC summit meeting;

Convinced that the geographical location of our countries and our rich natural and human resources provide a sound basis for mutually beneficial cooperation,

Recognizing that the pluralistic nature of our societies, our shared cultural heritage and the rich diversity of languages, arts, crafts and traditions provide ample opportunity for multi-dimensional cooperation within our region;

Convinced that regional and sub-regional economic cooperation such as ours contribute to efforts towards global free and fair trade being pursed under the multilateral trading regime,

Affirming that the above realities provide a firm foundation on which to build our partnership and overall cooperation;

Resolving to foster a sense of community that will lead to the economic and social development of the entire region;

Do hereby:

Agree that grouping shall henceforth be known as BIMSTEC or the

Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation.

Commit ourselves to the founding objectives and principles of BIMSTEC; to assess the challenges and opportunities for economic cooperation in our region; and to strengthen BIMSTEC's ability to find ways and means to realize those challenges and opportunities effectively and efficiently.

Note with satisfaction BIMSTEC's achievements so far, including the signing of the Framework Agreement for a BIMSTEC Free Trade Area, the launch of Visit BIMSTEC Year 2004-2005 and the year-long Plan of Action on tourism, the establishment of the BIMSTEC Chamber of Commerce, the first BIMSTEC Youth Football Tournament held in Phuket, the establishment of the BIMSTEC Center in Bangkok, and a biomass gasifier plant in Myanmar, and pledge to move forward with renewed vigor.

Agree to focus on specific areas of cooperation, including but not limited to trade & investment, transport & communications, tourism, energy, human resources development, agriculture, fisheries, science & technology and people-to-people contact.

Agree to explore the expansion of BIMSTEC cooperation into the areas of culture, education, public health, protection of biodiversity and traditional knowledge, rural community development, small and medium-scale enterprise, construction, environment, information and communications technology, biotechnology, weather & climate research, natural disaster mitigation & management.

Agree to take all possible steps including timely completion of the Free Trade Area negotiations for realization of the full potential of BIMSTEC trade and investment, taking into account the special needs of individual member countries.

Recognize that future cooperation under BIMSTEC requires the development of key infrastructure, in particular transportation & communication linkages, to facilitate tourism, trade and investment and accordingly agree to strengthen and accelerate cooperation for developing concrete regional project proposals such as the ongoing negotiations on road linkages between the member countries.

Agree to promote sustainable and optimal energy utilization through development of new hydrocarbon and hydropower projects, interconnection of electricity and natural gas grids, energy conservation, and renewable energy technologies.

Agree to coordinate our diverse strengths in the tourism sector to drive maximum benefit from our natural, cultural and historical attractions, and recognize the need to enhance inter-regional tourism through such strategies as joint marketing of intra-BIMSTEC tourism packages, exchange of visits and information as well as sub regional tourism co-operation.

Agree to facilitate travel within the region for business travel, exchange programmes and tourism, including through the introduction of a BIMSTEC Business Travel Card/Visa.

Encourage the private sector to explore ways to tap the economic partnership potential of the member economies and make full use of BIMSTEC opportunities.

Agree to intensify cooperation to promote the sustainable use of the marine resources in the Bay of Bengal through effective management and conservation in close coordination with the already existing frameworks, including the Bay of Bengal Programme-Inter-Governmental Organisation (BOBP-IGO).

Agree to enhance technical cooperation aimed at capacity building, and recognize the potential for public and private organizations to expand existing cooperation in this area.

Express grave concern at the continuing threat of international terrorism and transnational crime that has adversely affected the economic and social progress of the peoples of the BIMSTEC region; recognize that the solidarity and friendship existing among member states could be utilized as a basis to counter this threat; agree, as an urgent priority, to co-ordinate our efforts to combat this menace, including through the exchange of information among concerned agencies, and other concrete programmes of co-operation, and resolve to continue active co-operation in ongoing efforts of the international community in combating terrorism in all its forms and manifestations, by whosoever it is perpetrated irrespective of its cause of stated rationale.

Agree to coordinate our efforts to address, as a matter of priority, transnational issues that threaten the economic and social progress of the peoples of the BIMSTEC region, including HIV/AIDS and other threats to public health such as malaria, tuberculosis, and polio; and encourage active cooperation among concerned agencies, including through the exchange of information, sharing of experiences and other concrete programmes.

Decide to proactively promote increased interaction among our peoples through programmes, such as exchanges of parliamentarians, media persons, students and faculty, sports persons, as well as exchanges in the fields of performing arts and entertainment, such as motion pictures, television programmes and music.

Decide to accord priority to projects that could be clearly conceptualized, adequately funded and effectively implemented, with well-defined goals and tangible results relevant to the needs of our peoples, based, as far as possible, on internal financing from within the BIMSTEC countries.

Agree to streamline procedures and protocols to make BIMSTEC more efficient and output-based.

Agree that once a clear and focused programme of cooperation is in place, appropriate formal institutional mechanisms would be established, jointly and within each member country, for effective coordination and implementation.

Agree to task their Foreign Ministers with the responsibility of coordinating overall BIMSTEC cooperation.

We express our gratitude to the Government of Thailand for the warm hospitality and excellent arrangements made for the Summit.

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237. Press conference by Prime Minister Dr. Manmohan Singh at the end of the BIMSTEC Summit.

Bangkok, July 31, 2004.

In his opening statement, the Prime Minister said:

"My two days in Bangkok have been very useful and productive. We have had the first BIMSTEC Summit. I also met for bilateral talks the President of Sri Lanka and Prime Ministers of Bhutan, Nepal and Bangladesh, apart from my host, the Prime Minister of Thailand.

Results of BIMSTEC Summit are very encouraging. The Joint Declaration issued after our meeting, sets out the vision for the future. Discussions were held in very cordial, friendly, informal and harmonious atmosphere. There was a meeting of minds. All leaders were agreed that collectively we could do more for the development and prosperity of our people by synergising our respective strengths and resources. In deciding projects and areas of cooperation, we agreed that focus should be on ways and means to improve the lives of ordinary people in the region, which is one of the poorest in the world. Focus has to be on quick, practical and deliverable programmes/results.

You already have copy of my statement made at the BIMSTEC inaugural ceremony this morning. Later during the Retreat, I made a number of proposals that we would organize in India. These include:

1. Hosting a BIMSTEC Ministerial meeting on Energy Cooperation in 2005.

2. Hosting a round-table and Workshop of Tourism Ministers and Travel Trade & Industry representatives in 2005.

3. Setting up a BIMSTEC Center on Weather and Climate Research and Information in New Delhi

4. Sharing Remote Sensing Data on Agriculture.

5. Offered 150 ITEC scholarships for BIMSTEC countries next year in addition to the existing 150 scholarships.

6. Offered 30 scholarships in traditional systems of medicine.

There was detailed discussion on poverty alleviation programmes being conducted by different counties. There was complete understanding on need to benefit from each other's experiences. I explained at some length the need for multifaceted approach on rapidly expand and increase the growth rate of our agricultural and rural economies, which should be labour intensive and environment friendly. Empowerment of people and economic liberalization programmes have to move hand-in-hand. Primary health and education are integral to poverty alleviation programmes. There is need for employment assurances to landless labourers. Needs of Small and marginal farmers are different. They are to be provided marketing support and credit facilities. With a view to work out specific poverty alleviation programmes for specific needs of each country, Bangladesh offered to host a Ministerial meeting on poverty alleviation and Women's empowerment.

There was also keen interest in alternative forms of medicine and traditional knowledge. Countries also recognized need for access to affordable drugs and appreciated India's achievements in the field of manufacturing generic drugs. Thailand has agreed to host a meeting on this subject.

Likewise, Sri Lanka will be hosting Meeting on Technology, Biotechnology and Intellectual Property Rights for traditional knowledge.

Bhutan has agreed to host meeting on Cultural Cooperation.

There was unanimity on joining hands in combating international terrorism. Countries pledged not to allow use of their territory by terrorist groups launching attacks on friendly governments. There was willingness to share information and capacity building by sharing training programmes in intelligence capacity building. The setting up of a BIMSTEC Joint Working Group on counter-terrorism is an important step. We agreed to hold the first meeting of this group in New Delhi later this year.

At the request of all the participants, India also agreed to host the next BIMSTEC Summit in 2006.

Between now and then, a lot of work is needed at senior officials and Ministerial levels.

By our meeting today, we have shown that we have the necessary political will to give a dynamic push to regional cooperation around the Bay

of Bengal. Incidentally, we have decided that BIMSTEC will no longer signify the first initials of the names of the earlier five member countries, but will stand for Bay of Bengal Initiative for Multi-Sector Technical and Economic Cooperation.

I shall be happy to respond to your questions, if any".

Question : You talked about setting up of a JWG in BIMSTEC to counter terrorism. Could you give us some more details about the JWG?

Prime Minister of India (Dr. Manmohan Singh): As you know, security and the state of law and order is a basic prerequisite for promoting sustained social and economic development. Development does not take place in a vacuum. We need basic conditions which will then help to move forward the process of social and economic change. In addition to the six areas that were identified earlier, this Summit recognizes the need to work out concerted strategies and programmes to deal with the menace of international terrorism which constitutes a threat to civilized way of living all over the world.

Question : …(inaudible)… on the insurgency and all these things, we do not know …(inaudible)…

Prime Minister : We discussed all relevant aspects of our relations and reviewed the state of our bilateral relations. As I said, as far as the Prime Minister of Nepal is concerned, I will be meeting him after this meeting.

Question : …(inaudible)… regarding Pakistan's possible membership of BIMSTEC

Prime Minister : This is an initiative of countries around the Bay of Bengal. We are not working to isolate any particular country. Pakistan does not happen to be a country which can be geographically, or otherwise, linked with the Bay of Bengal. That is as simple as that.

Question : …(inaudible)…

Prime Minister : The North-Eastern region of India faces considerable handicaps because of the high cost of transport. The BIMSTEC initiative opens up the possibilities of making more effective arrangements for transportation of goods and services to other countries of South-East Asia through the land routes, making use of roads, railways and ports, that would

certainly help to promote the development of the North-Eastern region.

Question : …(inaudible)… regarding the state of trilateral highway project

Prime Minister : We have been discussing the trilateral highway project between India, Myanmar and Thailand. The additional suggestion is that along with this highway, we should also lay out optic fibre lines which would help to promote faster movement of telecommunication data as it would cost about 10 million dollars.

Question : Are you against FTAs …(inaudible)

Prime Minister : We are paying attention to move towards FTA according to the time-table which has already been laid down before the Summit meeting. We will work to deliver on that time-table.

Question : …(inaudible)…

Prime Minister : I am afraid I have been misunderstood on that particular point. What I did say when I met you, Ladies and Gentlemen, on my journey to Bangkok was that the previous Government had signed a large number of FTAs. Many of them were framework agreements, no more than that. Whatever is the road map that ought to be laid out, all those steps have to be taken. We are fully in support of the process of strengthening our regional links with South-East Asia, with other countries of this region. So, I should not be misunderstood in the sense that I am saying that we will delay the process. Of course, we will look at the options that are available and wherever possible, we will live by the timetables that have been prescribed and we will complete that process of review within the agreed timetable. That is my hope.

Question : The People's War Group has got links with Myanmar and other BIMSTEC countries. Was there any discussion on this issue?

Prime Minister : In a general way we have been discussing the security concerns that we have with our partner countries. I would not like to say more than that on this subject.

Question : …(inaudible)…

Prime Minister : I think this was a meeting which brought together seven countries with whom we have very close and intimate relations. This was

the first meeting of the leaders of these countries at the level of the Summit. This is one manifestation of our keen desire to promote regional cooperation in this area, to work with our neighbours, to strengthen our traditional bonds, to impart a new element of vigour, vitality and dynamism to our relations with our neighbouring countries.

Question : Can you give us more details about the Indian hostages in Iraq?

Prime Minister : Every effort is being made that is humanly possible to deal with this very serious problem. The latest information that I have is that one of our senior officials from the Foreign Office, our Ambassador in Oman is on way to Baghdad. I think, he will reach Jordan later this evening. We are in touch with all those people who can help resolve this grave crisis.

Question : Is the Government of India in direct touch with the kidnappers?

Prime Minister : I said that there are intermediaries and we are using all possible routes to reach out to those who are holding these people as hostages that these three Indians are innocent victims, that they are in no way concerned with any unlawful activities or military activities and that, therefore, they should be released forthwith. That is our utmost concern.

Question : When you met the Prime Minister of Bangladesh, did you raise the issue of infiltration and also the use of its territory for militants activities?

Prime Minister : All aspects of security were touched upon in my meetings with our neighbours. Beyond that, I would not like to comment.

Question : So far as Indians stranded in Iraq who cannot come out, are we talking to the coalition authorities or to other authorities for their evacuation?

Prime Minister : Mani, would you like to comment on that?

National Security Advisor (Mr. J.N. Dixit) : The Government, as is logical, is aware of the possibility of evacuation, if a situation arises requiring evacuation. Preparatory work is on the anvil. But, there is no need to generate panic by suddenly talking about evacuating five thousand Indians who live in Iraq.

Prime Minister : I would urge you not to highlight this aspect. It can have side effects which may not be entirely desirable. I urge you not to.

Question : Mr. Prime Minister, how do you see these first two months of yours running a coalition Government? Do you find yourself spending too much time on crisis management?

Prime Minister : Crisis management is part of my job and I am learning and learning very fast.

Question : …(inaudible)…about tainted ministers issue?

Prime Minister: Madam, you have asked me this question and I will give you an absolutely truthful answer as to the way I see it. We are in the era of coalition politics. The mandate of the people of India was in favour of this coalition. This coalition has powerful constituents of RJD, Jharkhand Mukti Morcha. Without their cooperation we could not have formed the Government. Of course, one could say that there were Ministers who were charge-sheeted, they should not have been appointed. But then, in public life, the best becomes the enemy of good. That would have meant that we would have then handed over the reins of governance to BJP. I sincerely believe that was not the mandate of the people of India. In this situation what we did was the only viable option, particularly because this is not the first time that charge-sheeted Ministers have been inducted into Cabinet. The previous Cabinet had a number of charge-sheeted Ministers. Now, they try to make a distinction that there are some political crimes and there are other non-political crimes. I beg to differ there. What is a political crime? If you incite mobs that lead to deaths of hundreds of innocent people and want to get away by saying that these are political crimes, I think that is a sad reflection or sad commentary on the state of Indian politics. So, there have been charge-sheeted Ministers before our Government, there are charge-sheeted Ministers in this Government. But, given the nature of the mandate, I think what I did was the only feasible course of action.

Question : Mr. Prime Minister, you just talked about the charge-sheeted Ministers. Do you suggest that there should be a law to debar such people from contesting elections so that this problem will not arise at all?

Prime Minister: I wish I had been allowed to speak to Parliament on this issue. But the Opposition did not give me a chance. They created a situation where I could not take the House and the country into confidence. If I had been given that opportunity, it was my intention to plead with the House

that the time has come when all political parties must sit together, evolve a code of conduct where we agree what constitutes a criminal activity, who is a criminal and what should be done in the future in dealing with all such elements. Now, we as a party would have very much liked to have such an understanding with all opposition groups, evolve a broad national consensus so that this whole phenomenon of criminalization of politics which worries everyone, can be dealt with effectively. It cannot be dealt with through the pursuit of parties and politics of the type that we have seen in the last two months. I think the time has come when all political parties who have the good of the nation at heart must sit together and build a new consensus to clean our politics of the evil of criminalization. That worries us like everybody else.

Question : …(inaudible)…

Prime Minister : It was pointed out to me. I promised that I will take back that concern with me. I have taken note of that. But I think we will have to discuss in our Cabinet to evolve a broad consensus on how we deal with this our approach to issues of open sky policies. There was an offer made by Prime Minister Vajpayee at the Summit in Bali where we announced opening up of our four metropolitan cities and also promising to give access to 18 important centres. But, the feeling among the countries, including Thailand and Singapore also, is that the terms and conditions on which we are willing to allow these additional flights in accordance with the existing commercial arrangements, they would like us to improve upon these terms. I said, I take note of that concern and I will go back and discuss with our colleagues.

Question : On the issue of charge-sheeted Ministers, the Chief Election Commissioner has written to you and given you the suggestions on what he things is the way out. He thinks all candidates who have been charge-sheeted six months before announcement of polls should be debarred. Have you examined that and do you endorse it?

Prime Minister : We are in the process of examining it. The Chief Election Commissioner has sent me a long paper. It has many suggestions. I have asked the Law Ministry in consultation with the Home Ministry to examine the various points which have been raised in the letter of the Chief Election Commissioner. These are matters which require evaluation and broad

political consensus. Once I have the preliminary examination by the Ministry of Law in consultation with the Ministry of Home Affairs, I would like to discuss it with all the political parties before I proceed further in this matter.

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238. Press release issued at the end of the first meeting of the BIMSTEC Joint Working Group on Counter Terrorism and Transnational Crime.

New Delhi, December 10, 2004.

In recent times, BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) member States viz. Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand, have witnessed a growth in terrorist and transnational criminal activities. Terrorist groups gather strength from networking, taking advantage of porous borders to operate across the countries of the region. Recognizing that action by one country on its own or bilaterally is insufficient to deal with the problem, the leaders of BIMSTEC member States adopted the BIMSTEC Summit Declaration of July 31, 2004 to establish a Joint Working Group to coordinate, as an urgent priority, efforts of BIMSTEC member States in areas such as intelligence sharing and capacity building as well as to strngthen joint efforts on counter terrorism and transnational crime.

The First meeting of the BIMSTEC Joint Working Group on Counter Terrorism and Transnational Crime (JWG-CTTC) was held in New Delhi on December 9-10, 2004.

The meeting decided that the BIMSTEC JWG-CTTC would serve as a platform for cooperation among member States to enhance their operational and strategic capabilities in preventing and suppressing terrorism and transnational crime. It will further work out programmes of cooperation to:

i) Enhance information and intelligence sharing regarding terrorism and transnational crime;

ii) Deny sanctuary and transit facilities to and take effective measures

against individuals, groups and entities involved in or associated with terrorist activities and transnational crime;

iii) Prevent and suppress illicit trade and trafficking in arms, ammunitions, explosives, and other dangerous materials of terrorist use by land, sea or air, as well as prevent terrorists from acquiring weapons of mass destruction, their means of delivery and materials and technologies related to their manufacture;

iv) Exchange experiences in dealing with terrorism and transnational crime;

v) Strengthen legal frameworks for cooperation between national jurisdictions, including through extradition and mutual legal assistance arrangements and taking appropriate steps to meet the obligations of UNSCR 1373 and other relevant UN resolutions;

vi) Prevent counterfeiting of currencies and forgery, as well as fraudulent use, of travel and immigration documents;

vii) Prevent and suppress illegal movement of persons, including human trafficking and smuggling of migrants, by implementing effective border controls and other measures;

viii) Frame appropriate domestic legislation, evolve institutional infrastructure such as Financial Intelligence Units, as well as exchange experience and expertise in order (a) to counter the financing of terrorism and money laundering for terrorist purposes and transnational crime and (b) to prevent the flow of funds to terrorists or terrorist groups through formal or informal systems/channels, non-governmental and non-profit organizations;

ix) Identify and take measures to break the linkages between drug trafficking and terrorism, and set up effective mechanisms to prevent and suppress Illicit Trafficking in Narcotic Drugs, Psychotropic Substances and precursor chemicals;

x) Promote capacity-building, including training of officials for development of more effective counter-measures and response mechanisms as well as protection of critical infrastructure;

xi) Enhance cooperation at both policy and operational levels to counter

all forms of terrorism and transnational crime including cyber terrorism, maritime crime, etc.;

xii) Promote research and development of technological and other means and methods to assist in the fight against terrorism and transnational crime;

xiii) Prevent propaganda and dissemination of information by terrorist groups that encourages terrorism or transnational crime.

The Meeting decided to set up Sub-Groups on subjects such as Intelligence Sharing, Law and Legal Enforcement Issues, Financing of Terrorism and Illicit Trafficking in Narcotic Drugs, Psychotropic Substances and precursor chemicals. It was agreed that these Sub-Groups would meet as soon as possible and that the JWG-CTTC would meet at least once every year, with additional meetings whenever required.

The delegations to the meeting were led by Mr. Mohammad Mohsin, Joint Secretary, Ministry of Home Affairs, Bangladesh; Dasho Tsering Wangda, Joint Secretary, Ministry of Home and Cultural Affairs, Bhutan; Brigadier General Phone Swe, Deputy Minister for Home Affairs, Myanmar; Mr. Narayan Gopal Malego, Joint Secretary, Ministry of Home Affairs, Nepal; Mr. Prasad Kariyawasam, Director General, Ministry of Foreign Affairs, Sri Lanka and General Winai Phattiyakul, Secretary General of the National Security Council, Thailand. Shri Rajiv Sikri, Secretary (East), Ministry of External Affairs led the Indian delegation and chaired the meeting.

Leaders of the BIMSTEC delegations called on Shri K. Natwar Singh, External Affairs Minister and Shri J. N. Dixit, National Security Adviser during their stay in Delhi.

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INDONESIA

239. Statement by the Government of India on terrorist bomb blast in Jakarta.
New Delhi, September 10,, 2004.

The Government of India strongly condemns the terrorist bomb blast in the heart of the diplomatic-cum-business district of Central Jakarta on September 9, 2004 and extends its deepest sympathy and condolences to all those affected and the Government and people of Indonesia. India believes that such brutal and senseless acts of violence cannot be justified on any grounds whatsoever.

This terrorist incident serves once again as a reminder that the scourge of terrorism confronts nations across the world and it is essential for the international community to strengthen and intensify cooperation to effectively combat and eradicate this menace. India remains committed to working closely with Indonesia, our partners in ASEAN and with the broader international community towards this objective.

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MALAYSIA

240. Speech of Prime Minister Dr. Manmohan Singh at a banquet for Malaysian Prime Minister Dato' Seri Abdullah Ahmad Badawi.

New Delhi, 20 December, 2004.

Your Excellency Dato' Seri Abdullah Ahmad Badawi, Prime Minister of Malaysia,

Datin Paduka Seri Endon Mahmood,

Distinguished members of the delegation,

Ladies and Gentlemen,

It is a great pleasure and honour for me to welcome you on your first visit to India as Prime Minister of Malaysia.

India and Malaysia share common bonds of history and culture. Our ancient texts refer to South East Asia as Swarnabhoomi or land of gold. We are also maritime neighbours - linked by the Andaman sea and shared interests with respect to the Malacca Straits. The discussions that we have had today have paved the way for our two countries to re-engage each other in ways which goes beyond our shared past, to build a relationship that looks to the future.

Excellency, India like Malaysia celebrates the diversity of its society and sees it as a source of strength. As mature democracies, our two countries share core values of tolerance and a belief in the essential wisdom of the choices made by our peoples.

As a country which espouses Islam and yet guarantees freedom of religion to its citizens, Malaysia provides an excellent example of how a state can promote this objective. As Chairman of the OIC, Malaysia's views on this subject carry particular weight. They have a special resonance in India which is home to the second largest population of Muslims in the world. Islam has been a part of Indian society for well over a millennium and its contribution to the richness of our culture and to our way of life are both numerous and immensely valuable.

At a time when terrorism has crossed the borders of nations as well as the limits of restraint, Your Excellency's eloquent evocation of Islam *Hadhari*, or Civilizational Islam is both timely and necessary. We in India share your vision of Islam as a civilizational force, dynamic, progressive and adaptable to the needs of modern society. We reject the view that any clash of civilizations is inevitable, as we resolutely oppose those who distort Islam and misuse its teachings to spread terror and kill the innocent.

In the colonial era, Malaysia played host to one of the largest migrations of Indians out of India. While this migration was not one of choice, today the Indian diaspora has been absorbed into the seamless fabric of Malaysian society and polity.

Mr. Prime Minister, India and Malaysia have much to offer each other in future. Our trade is expanding rapidly as Malaysia becomes India's largest trading partner in ASEAN in 2004. Malaysia is well positioned to participate in the many infrastructural development projects which will come up in India over the coming few years. We estimate that India needs upto US$150 billion in foreign investment in infrastructure development alone over the coming decade. Malaysian companies have experience in building world class infrastructure, are financially capable of investing abroad and are culturally in tune with the conditions in India. I am sure that they will find plenty of business opportunities in the development of highways, seaports and airports, housing colonies and urban townships, power generation and other infrastructural projects in India.We welcome them and will do our best to facilitate their participation in such projects.

Apart from infrastructure, there are several other sectors which are equally promising. We see great potential for Indian and Malaysian firms to work together in a number of industries, such as IT, bio-technology, pharmaceuticals, healthcare, tourism and services, as growth sectors deserving of support. Indeed, as many as 36 Indian firms have already taken advantage of the excellent facilities and connectivity which you offer in your multi-media corridor of Cyberjaya. We are delighted that, over the

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1. The following three agreements were signed in the presence of the Prime Ministers of India and Malaysia :
   a. Antrix Corporation Limited ("Antrix"), the commercial arm of the Indian Space Research Organisation ("ISRO"), and MEASAT Global Bhd. (BLOOM: MGB MK) ("MEASAT") signed an agreement to form a joint Venture Company ("JV Co") to pool their satellite capacities, in a major move to develop a satellite neighbourhood for millions of broadcasting and

next few days, you will be visiting some of our facilities here and in Bangalore and look forward to opportunities for fruitful partnership.[1]

Excellency, our two countries share similar views on the need to build a new world order based on equity and mutual advantage, that caters to

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telecommunications customers across the wider Asia Pacific region.
The Joint Venture, which will be equally owned by the two companies, represents a significant breakthrough and major step in the ongoing cooperation between the Indian and Malaysian satellite sectors.
The JV Co will leverage capacity from both the high-powered Indian INSAT and Malaysian MEASAT satellite fleets to provide commercial satellite service across the wider Asia-Pacific region.

b. **Letter of Intent by MEASAT Satellite System Sdn Bhd. Of Malaysia to Antrix Corporation on procurement of MEASAT-4 Satellite.**
With in the overall framework of cooperation of Joint Venture, Antrix has proposed building and launching MEASAT-4 satellite. The technical and financial aspects have been mostly agreed upon and discussions are continuing over certain regulatory processes.
Signed by Tun Hanif Bin Tun Omar, Director, MEASAT Satellite Systems from the Malaysian side and Shri K.R. Sridharmurthy, Executive Director, Antrix Corporation from the Indian side.

c. Concession Agreement for the Development, Construction, Operation and Maintenance of the Hyderabad International Airport between Ministry of Civil Aviation, Government of India and Hyderabad International Airport Limited
The consortium of GMR Infrastructure Limited (GIL) and Malaysia Airports Holdings Berhad (MABH) has been selected by Government of Andhra Pradesh and Government of India following a competitive bidding to develop Greenfield international airport through Public Private Partnership (PPP) at Shamshabad near Hyderabad at about 20 kilometers from the existing airport at Begumpet. The consortium as majority partner, will be responsible for the design, finance, construction, operation, maintenance and management of Hyderabad International Airport Project, through a special purpose company viz. Hyderabad International Airport Limited (HIAL), in which Government of Andhra Pradesh and AAI together hold 26%. The approximate cost of the project is Rs. 1385 crores.
In addition, 12 Business to Business Agreements were signed at the Business luncheon meeting of H.E. Mr. Badawi, Prime Minister of Malaysia with Confederation of Indian Industry (CII)/Federation of Indian Chambers of Commerce and Industry (FICCI). The List is as follows:

1. CMC LIMITED(Tata group) and ARA TECHBIZ SDN. BHD. – IT cooperation
2. Institute of Bioinformatices and Applied Biotechnology(IBAB) and Inforvalley Life Sciences SDN. Bhd. (IVLS)
3. International Tractors Berhad(THB) and Tracoma Holdings Berhad
4. Antrix Corporation Limited and Binariang Satellite Systems Sdn. Bhd. – Operation of regional satellite network (MEASAT)
5. Indian Gas Ltd., India and Indofocus sdn Bhd
6. Bioscience Research Institute and SAL group of colleges
7. Hyderabad International Airport Ltd. and Malaysia Airport Holdings Bhd
8. Konkan Railway Corporation Limited and Sistem Kompakar Sdn bhd
9. XLR Technology India Pvt. Ltd. and SAL group of Companies
10. Learnet India Ltd. and Malaysia Institute of Integrative Media
11. Sun TV and Astro All Asia Network PLC
12. NASSCOM AND Association of Computer and Multimedia Industry of Malaysia

the interests of the dispossessed and the disadvantaged. We have cooperated closely on the follow up to the Doha Round of trade negotiations. We appreciate your leadership of the Non-aligned Movement and the energy which you have brought to its causes, from Palestine to South-South Cooperation.

We look forward to your taking over the Chair of ASEAN next year and are confident that, under your Chairmanship, India-ASEAN interaction will gather more substance.

Excellency, we look upon your visit to India as a reaffirmation of the many ties of history and culture which bind us, as well as an opportunity to chart the course for the future development of our relations.

Excellencies, Ladies and Gentlemen, I would now like to invite you to join me in a toast

- to the good health of His Excellency Prime Minister Dato' Seri Abdullah Ahmad Badawi;

- to the continued prosperity and success of the Government and people of Malaysia; and

- to the strengthening of India-Malaysia friendship and cooperation in all fields.

Thank you.

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MYANMAR

241. Media briefing by Official Spokesperson on the discussions between External Affairs Minister K. Natwar Singh and the Myanmar Foreign Minister.

New Delhi, July 24, 2004.

The Foreign Minister of Myanmar Mr. U Win is here and he has had discussions as well as a working lunch with the External Affairs Minister Shri Natwar Singh today. Now he would have also called on the Prime Minister. This is a second meeting in quick succession between the two Foreign Ministers. They met in Jakarta on the sidelines of the ARF, a couple of weeks ago. During their discussions today the two sides reiterated the high importance that is attached to bilateral relations between the two countries, which have old cultural affinities. They discussed the growing importance of this bilateral relationship, particularly as Myanmar has become a member of ASEAN and BIMSTEC and can play an important role as a bridge between South Asia and South East Asia as well as between India and ASEAN. They discussed the last meeting of the Foreign Ministers of India, Myanmar and Thailand, which was held in Delhi in December 2003 on the trilateral highway project.

Referring to economic ties between the two sides, they said that there was need to promote greater trade between the two countries. A target has been set of US$ 1 billion by the year 2006 and two border trading points have been opened which will help augment trade. Energy was also discussed, energy cooperation was discussed. As you know ONGC and GAIL are active as partners in this field. Of course, India offered its assistance in fields such as HRD, Information Technology, Railways[1], Highways, Port Development, Inland Water Transport etc to Myanmar. Global terrorism has been one of the issues that have been discussed between the two countries. India has proposed earlier a bilateral agreement with Myanmar for fighting

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1. During the present visit India and Myanmar on July 27 signed a MOU for the development of Myanmar Railways. The MOU was signed by the Joint Secretary, South East Asia in the Indian Ministry of External Affairs and Myanmar Ambassador. It provided that India will make available a line of credit of $ 56.358 million to Myanmar for augmenting the Myanmar Railways. The line of credit will be operationalized through a separate agreement between EXIM Bank of India and the Myanmar Foreign Trade Bank.

terrorism and a counter proposal has been received which is being examined and studied. Besides this, the general overview of relations, regional issues, External Affairs Minister's recent visit to SAARC Ministerial Conference in Islamabad, the forthcoming BIMSTEC Summit came up for discussion during the meeting today.

Question: Were there any talks on the insurgents with the Myanmar Foreign Minister?

Answer: Well, bilateral issues were discussed as well as global terrorism was discussed. This is always one of the concerns but the Foreign Minister of Myanmar gave his assurance that no terrorist group will be allowed to use Myanmar's territory for activities which are inimical to India.

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242. Media briefing by Official Spokesperson on the visit of Senior General Than Shwe of Myanmar.

New Delhi, October 25, 2004.

Official Spokesperson: Good evening. You have been following the State Visit of H.E. Senior General Than Shwe of Myanmar[1]. This morning there was the ceremonial reception followed by a visit to Rajghat. There was a call on the visiting dignitary by External Affairs Minister Shri Natwar Singh which was followed by the discussions with Prime Minister in a restricted format as well as delegation level discussions, signing of three agreements and lunch hosted by the Vice President in honour of the visiting dignitary. This evening there will be a banquet hosted by the Rashtrapatiji. Tomorrow there is a call by the Leader of Opposition Shri L.K. Advani whereafter the visiting dignitary leaves for Agra, Bangalore and Bodhgaya.

The Chairman of State Peace and Development Council of Myanmar General Than Shwe is accompanied by a high-level delegation comprising eight Cabinet Ministers including the Ministers for industry, energy, rail transportation, communications, science and technology and health. I think that itself is indicative of the interest and the breadth of cooperation between India and Myanmar which is on the table and which this visit will definitely give an impetus to moving forward.

The three Agreements that were signed: one, the Cultural Exchange Programme[2] for 2004-06.

The second is a Memorandum of Understanding[3] on Cooperation in the Field of Non –Traditional Security Issues. This MoU was signed by External Affairs Minister on our side and Myanmar's Minister for Foreign Affairs U. Nyan Win on the Myanmar side. Under this MoU, both countries

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1. Giving a background of the visit a press release issued by the Ministry of External Affairs on October 21 said: "India has friendly relations with the Union of Myanmar. In recent years, the relationship has grown and diversified, based on the mutual desire to establish a long-term cooperative partnership, and culminating in senior General Than Shwe's visit to India. This visit is historic in nature, being the first Head of State level visit from Myanmar in 24 years and the first Head of State – Head of Government level interaction in 17 years. It is expected to contribute significantly to further consolidation and expansion of bilateral relations."
2. Document No. 245
3. Not reproduced here

have committed themselves to enhance cooperation against terrorism, arms smuggling, money laundering, drug trafficking, organized crime, international economic crime and cyber crime. Mechanisms for cooperation would include exchange of information and personnel, law enforcement cooperation and joint research. It is expected that a Consultative Group will be set up at the senior official level to monitor and review progress on implementation of this MoU. The Group shall meet annually, alternating between India and Myanmar.

The third Agreement that was signed is a Memorandum of Understanding[1] on the Tamanthi Hydroelectric Power Project. The Tamanthi Hydroelectric Power Project is a 1200 MW project on River Chindwin in Myanmar and is being developed as a mutual interest project between India and Myanmar. In this regard, a fact-finding Mission from India had visited Myanmar in February 1999 followed by a Joint Site Inspection by technical representatives of the two countries in November 1999. Under the MoU signed today MEA will fund a pre-feasibility report on the project which will be prepared by National Hydroelectric Power Corporation Ltd.

In addition I can tell you some of the issues that were discussed. There was a wide ranging review of the bilateral relations, regional issues and some of the details which I have given you also came up for discussion. A point on which I am sure you would be interested is the cooperation in counter insurgency. I have read out to you the summary of the MoU on Cooperation in the Field of Non –Traditional Security Issues. On the question of insurgent groups operating out of Myanmar Senior General Than Shwe conveyed his assurance to the Indian leadership that Myanmar would not permit its territory to be used for any hostile element for harming Indian interests and whenever information on such activity comes to their notice they would not hesitate to take appropriate action against such groups.

He also expressed Myanmar's categorical support for India's candidature for the UN Security Council permanent membership.

Discussions also revolved around carrying forward several cross-border projects, on quickly implementing the Tamanthi hydroelectric project, on the ongoing projects on the Kaladan river as well as cooperation in

1. Document No. 244

building the Mizoram-Chin State road. Other projects that came up for discussion was the rail between Yangon and Mandalay with Indian assistance, the laying of fibre optic lines in the telecom sector in Myanmar, the feasibility study for deep water port. There was clear interest on both sides to strengthen cooperation in the energy sector in the exploration of both oil and gas. These are resources which are abundantly available in Myanmar, both on the coast as well as offshore. I may add that Secretary Petroleum and Natural Gas met the Energy Minister of Myanmar this afternoon to discuss ways and means of carrying these ideas forward.

You already have a press release from the Commerce Ministry which you may like to take a look on trade aspects between Indian and Myanmar.

Question: The MoU on cooperation in the field of non–traditional security issues talks about the exchange of personnel, does that mean joint operations if there is a need?

Answer: I do not think MoUs define these contingencies but I think what is meant here is basically exchange of information, knowledge that may be carried by an individual. Exchange may also be of training. This MoU has just been signed; the important thing is that there is this understanding between the two countries. There is a clear assurance that Myanmar territory would not be allowed to be used for interests inimical to India and if any such information is received the Myanmar will not hesitate to act against such groups. How that is implemented, we will see.

Question: Have we given any reciprocal assurance to them because they have also had concerns about pro-democracy elements?

Answer: An MoU basically means that it is a framework agreement and it does not work on only one side. It is an agreement and agreements are arrived at after mutual interests are served.

Question: Is there any new road project being taken up – you talked about Mizoram-Chin state road project?

Answer: That is a project that is already ongoing.

Question: Tamu-Kalewa…

Answer: Tamu-Kalewa was a project that was undertaken earlier. The upgradation of Tamu-Kalewa road was completed in February 2001. There

is also the trilateral India-Myanmar-Thailand Highway Project which is under discussion. We hope that will be underway also. There are other projects which are at various stages of implementation. One is the Rhi-Tiddim and Rhi-Falaam road sections and the Kaladan multi-modal transportation system.

Question: There were reports earlier on opening of more border points for trade…

Answer: Border trade I think is probably covered under trade issues. Minister of Commerce has said that with a view to further accelerating border trade the second point at Zowkhathar-Rhi, in addition to the Moreh-Tamu point, was inaugurated a few months ago and emphasised the need to speedily develop the required infrastructural facilities at this point so that trade could take place at the earliest. So the inauguration of the second point has already taken place. What is needed is to speed up setting up of facilities like customs etc.

Question: Has the trilateral project already started?

Answer: Certain parts already exist, certain parts need to be upgraded, certain parts need to be built, so all that has to come together. You know that there is a rally next month which will bring a lot of focus on this project.

Question: Anything on Aung Sang Suu Kyi?

Answer: I do not have a specific detail on that. But on the general question of democracy that certainly was under discussion and Senior General conveyed to the Indian leadership the sincere commitment of the current government to bring about democracy because they genuinely believe that only democracy can bring about peace and prosperity. They also conveyed that the current national consultation process that is going on is aimed precisely at preparing a constitution which has the widest possible national consensus, including amongst the several ethnic groups that exist in Myanmar. He also conveyed to the Indian leadership that India with its well-established traditions of democracy could support Myanmar in this process. On our part, Prime Minister and External Affairs Minister conveyed their best wishes to General Than Shwe in his efforts to establish a democratic government in Myanmar and agreed with him that the transition to democracy is complex and yet it offers the best possibilities for addressing

the problems both of political stability as well as economic development.

Question: Did the recent dismissal of Myanmar Prime Minister come up for discussion?

Answer: I do not have a read out on that point. Possible there were a lot of things which might have come up. I have tried to give you an essence of the discussions both in political terms as well as the bilateral economic cooperation.

Question: About a week back there was a conference on restoration of peace and democracy in Myanmar. Will India be allowing such conferences or not?

Answer: I think we had answered that question when that issue came up. Each of these conventions and conferences has to have a political clearance. Once such a political clearance is given, the event goes ahead.

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243. Speech by President Dr. A. P. J. Abdul Kalam at a banquet in honour of Chairman, State Peace and Development Council of the Union of Myanmar.

New Delhi, October 25, 2004.

Your Excellency, Senior General Than Shwe,

Chairman, State Peace and Development Council of the Union of Myanmar,

Madam Kyaing Kyaing,

Excellencies,

Ladies and Gentlemen,

It gives me great pleasure to extend to Your Excellency and to your distinguished delegation a very warm and cordial welcome to India. This State visit from Myanmar to India takes place after nearly twenty-four years and is thus a truly historic occasion. It is always a matter of joy and satisfaction when friends come calling.

Mr. Chairman, geography destined that we live as neighbours. History took us through similar experiences. Strong bonds of mutual sympathy and support developed as we struggled against the colonial yoke. We rejoiced when Myanmar attained independence. It was, as Prime Minister Nehru aptly put it, "an event of significance to the whole of Asia." Tradition believes that Emperor Ashoka sent two Buddhist monks, Sona and Uttara, to Suvarna-bhumi, the golden land of Myanmar. They went as messengers of peace, friendship and goodwill. They brought our countries together, religiously and culturally.

Similar sentiments were expressed by Hu Shih, the famous Chinese philosopher who said that India had strongly influenced China culturally for two thousand years without ever having to send a single soldier across the border. That is what Buddhism has helped us achieve. It has brought people together, it has brought nations together and has brought peace at no cost. This is a religion that has grown in stature to be the messiah of God and the advocate of the spiritual role of religion. When the spiritual role of a religion is compromised, it becomes a weapon of destruction and a divider of people.

Indeed, the legacy of Buddhism has bequeathed to us a common heritage. In its multiple dimensions it has imparted to our interaction an enduring quality. Culture, civilisation and education accompanied the spread of Buddhism and introduced a unique richness to ties between our two peoples.

I have a vision to transform India into a developed nation by the year 2020. I have identified five areas where India has a core competence viz., Agriculture and Food Processing, Education and Healthcare, Infrastructure Development, Information and Communication Technology, and self-sufficiency in critical technologies. Indeed, today India is already in a position to share its expertise in a number of areas, including agriculture, science and technology, healthcare, industry, Human Resource Development, defence, and, of course, Information Technology with developing countries.

In the preceding decade, India has pursued a 'Look East' policy. In practical terms, this policy has been a voyage of rediscovery. We are engaged in rejuvenating the historical, cultural and commercial links between India and Southeast Asia. Our efforts have begun to bear fruit. Trade links between India and Southeast Asia, buttressed by cross border

investments, have received a new impetus. Cultural ties have been reinforced. Regional connectivity has become an important consideration. It is with this in mind that we are committed to the early implementation of the Trilateral Road Project, which will connect India, Myanmar and Thailand. You would agree that early completion of this road would give a boost to our trade relations.

When we look eastwards, Myanmar emerges as our gateway to ASEAN. You occupy a central place in our vision and approach. Besides the India-ASEAN Summit-Level relationship, we are both partners in BIMST-EC and the Mekong-Ganga cooperation process. Our bilateral relationship is a factor of peace and stability for the region and has an important bearing on regional cooperation initiatives. In the bilateral as well as the wider regional context, it is of utmost importance that we assign special attention to economic progress of the border areas common to us. While we are pleased that trade between our two countries has registered a steady increase, it is necessary for both Governments to take measures to remove impediments to border trade and promote cross-border connectivity. We would like to see our trade reach a figure of at least one billion U.S. Dollars by the year 2006. The accelerated development of border areas will be to our common advantage. This must be our joint endeavour. At the same time, our efforts cannot be successful unless peace, stability, and security in the border areas are ensured.

Some fifty years ago our leaders affirmed the principles of Panchsheel, which allowed for the possibility of peaceful co-existence between peoples. Genuine multilateralism and a just and equitable world order is the key to overcoming common challenges confronting mankind. The world has changed a great deal. Existing global realities need to be recognised and accepted. We are convinced that reform and restructuring of the United Nations should not be postponed any further. A more representative United Nations Security Council will provide the basis for genuine multilateralism and allow for more effective global cooperation.

Excellency, your visit to India comes during our festive season. May I take this opportunity to convey my good wishes to you and to the people of Myanmar. The full-moon day is an auspicious day in the Buddhist calendar as it is in the Vikram Samvat calendar. I am particularly happy that on the full-moon day this month, you and your delegation will be at the most sacred of Buddhist sites.

We are confident and optimistic that your visit will open a new and more dynamic chapter in our bilateral ties. Our vision is of a long-term bilateral partnership with Myanmar, a partnership based on mutually beneficial cooperation, trust and understanding.

Excellencies, Ladies and Gentlemen, may I now request you to join me in a toast to the:

- health and happiness of His Excellency Senior General Than Shwe and Madam Kyaing Kyaing,

- continuing friendship and cooperation between India and Myanmar,

- the progress and prosperity of our two peoples and countries.

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244. Memorandum of Understanding between Ministry of External Affairs (MEA), Government of India and Department of Hydroelectric Power (DHP), Ministry of Electric Power, Government of The Union of Myanmar.

New Delhi, October 25, 2004.

This MOU is signed on this the 25"" day of October 2004 by the MINISTRY OF EXTERNAL AFFAIRS (MEA), GOVERNMENT OF INDIA having its office at South Block, New Delhi, India (hereinafter referred to as MEA on the one part) and DEPARTMENT OF HYDROELECTRIC POWER (DHP), MINISTRY OF ELECTRIC POWER, GOVERNMENT OF THE UNION OF MYANMAR, having its office at 197-199, Lower Kemmendine Road, Ahlone P.O. Yangon, Myanmar (hereinafter referred to as DHP on the Other part).

WHEREAS Tamanthi Hydro-Electric Project (1200 MW) in Myanmar on River Chindwin is proposed to be developed as a mutual interest project between India and Myanmar. The investigations in this respect have been going on since 1999, when a fact finding mission from India visited Myanmar in February 1999, allowed by Joint Site Inspection by technical representatives of India and Myanmar in November 1999.

WHEREAS two potential project sites for development viz. Tazon and Hwena were identified by the joint technical team of 1999. In furtherance of above Gauge and Discharge (G&D) Stations were established in 2000 under Indian technical guidance at Tazon and Hkamti. Subsequently, another G&D site was established it Hwena in April 2002. The Hydrological / Hydro meteorological data is being collected and forwarded through the Indian Mission in Yangon to Indian technical experts in Ministry of Power for study and assessment.

WHEREAS MEA has entrusted the work for preparation of Pre-feasibility Report (PFR) of the .Tamanthi Project to National Hydroelectric Power Corporation Limited (NHPC), a Government of India Enterprise under Ministry of Power.

WHEREAS a NHPC Technical team visited Myanmar in November 2003 under sponsorship of MEA and held detailed discussions with DHP (Ministry of Electric Power, Government of the Union of Myanmar) about responsibilities and obligations of the Myanmar side and NHPC for carrying various technical field studies for the PFR preparation.

WHEREAS at the end of the discussions from 24-26 November 2003 the areas of responsibility and obligations of both sides were identified to ensure smooth functioning and timely completion of the work of preparation of Pre-feasibility Report for the above project, A copy of the Minutes of Discussions held between NHPC / MEA and DHP at Yangon from 24-26 November 2003 is enclosed.

WHEREAS Government of India represented through MEA and the Government of the Union of Myanmar represented through DHP are both interested in further developing business and technical cooperation and have agreed to mutually collaborate with each other for development of Tamanthi HE Project, the first step towards that direction being taken in starting the work for preparation of Pre-feasibility Report for the above Project.

NOW THEREFORE in consideration of the above premises, the parties agree as follows:

1. **Responsiblities and Obligations of MEA**

MEA shall be responsible for getting the Pre-feasibility Report

prepared through NHPC at the terms and conditions agreed between them through a separate agreement. MEA shall nominate a coordinating officer through its Mission in Yangon for facilitating smooth conduct of above assignment in Myanmar. All the related cost & expenses for the assignment payable .to NHPC shall be borne by MEA except for the facilities and obligations to be provided by DHP as detailed in the succeeding paragraphs.

2. **Responsibilities and Obligations of DHP**

DHP shall be responsible for arranging following data & details and facilities etc., for NHPC for carrying out the above assignment:

2.1 **Data and details**

a) **Topographical Data**

Handing over of the control points (authenticated benchmarks connected by a common grid) already installed at Tazon and Tamanthi site after verification / checking by DHP to enable NHPC to undertake survey works.

b) Hydrological Data

- Hydrological/Hydro-Meteorological data of Shwezaye project downstream of Tamanthi, currently under compilation by DHP and the hydro-meteorological data at Chindwin basin.

- Standard Project Storm (SPS) & Probable Maximum Precipitation (PMP) parameters for the project area with temporal distribution.

c) Geological / Geo-technical Data

- Regional geology map having sufficient details for arriving at the seismological parameters.

- Test results of one set of core samples to be tested in the DHP laboratory.

- Test results for engineering suitability of construction material samples to be tested in the DHP laboratory.

d) Cost Data

- Construction cost of the road per km for all types of roads.

- Minimum wages prevalent in the area for skilled, semi-skilled and unskilled labour.

- Cost of construction material inclusive of transportation and handling up to site and royalty, if any, cement, steel, explosives and diesel.

- Rates of electricity charges for construction power.

- Other information required for cost estimates.

2.2 Drilling of 4 holes (200 m) in the riverbed area at Tazon site. NHPC geologists shall carry out the logging of the cores with the assistance of DHP geologists. One set of core samples shall be tested by DHP in its laboratories.

2.3 Testing of the construction material samples collected by NHPC experts for their engineering suitability.

2.4 Providing of one no. "Total Station" along with accessories, currently in use at DHP, free of cost for the survey work to be undertaken by NHPC.

2.5 Deploying of experienced surveyors and engineers well conversant with the area.

2.6 Supply of explosive, along with permissions required for its use for undertaking geophysical survey by NHPC.

2.7 Facilities and Assistance in Myanmar

i) Accommodation: Accommodation of local standard at site and one night accommodation in transit (e.g. Monywa) on way and back from site for all Indian officials. Accommodation for one Nodal Officer from NHPC stationed at Hkamti / other suitable place.

ii) **Local Transport:** All local transport.

iii) **Communication:** Radiophone for communication between site (s) and Headquarters in Myanmar. Walkie-talkie shall be provided for site communication.

iv) **Labour:** Labour for assisting the topographical, geological and geophysical survey, as required.

v) Security: Security shall be provided to all visiting and stationed officials.

vi) **Taxes / Duties:** Bearing all taxes and duties for the study within Myanmar.

vii) **Permission / Licenses / Clearances:** Arranging of all statutory clearances, permits etc., as required,

viii) Medical Facilities: Provision of medical facilities to NHPC field personnel.

ix) Food Provisions: Assistance for availability of food provisions for field personnel on payment basis by NHPC.

x) Drinking Water and Electricity: Provision of drinking water and electricity at sites of work.

xi) Visas: Assistance to be provided in issue of visas on a gratis basis.

3.0 This MOU shall ensure the benefit of and be binding upon the successors and permitted assignees of the parties.

4.0 This MOU shall remain in force and effect for the period till completion of this assignment and extended by mutual agreement for a period as necessary.

IN WITNESS WHEREOF the parties hereto MEA and DHP through their authorized representatives have signed and executed this MOU on this 25th day of October 2004 at New Delhi.

For and on Behalf of
Ministry of External
Affairs, Government of India
(K. Natwar Singh)
External Affairs Minister

For and on Behalf of Department of
Hydroelectric Power
Ministry of Electric
Power, Government of the
Union of Myanmar
(V. Nayan Win)
Minister for Foreign Affairs
Government of the Union of Myanmar

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245. The Cultural Exchange Programme between the Government of the Republic of India and the Government of the Union of Myanmar, 2004-2006.

New Delhi, October 25, 2004.

The Government of the Republic of India and the Government of the Union of Myanmar (hereinafter called the parties), have agreed upon the 2004-2006 Cultural Exchange Programme for the implementation of the Cultural Agreement concluded between the Governments of the two countries on 25th January 2001 in the field of art, culture, sports, public health and mass media of information as follows :

1. Art and Culture

Article 1

Both sides will exchange one person for 2-3 weeks to study in the following fields:

Cultural Education in Schools:

e) Study of the artistic heritage;

f) Creative activities for students;

g) Development of audio-visual and printed educational materials for students to learn arts, music, dance, theatre and puppetry; and

h) Museums as centers of learning.

Documentation of the Arts and Production of Cultural Resources;

e) Techniques for documentation of performing and plastic art;

f) Cataloguing, indexing and library services;

g) Collection of resources (audio, visual and written texts);

h) Preparations of audio-visual presentations, video films, Radio and television programme on culture, environmental pollution, role of students in conservation of the natural and cultural heritage.

Article 2

National Institute of Fashion Technology (NIFT) shall receive experts

and lecturers in area of Fashion Technology to interact with NIFT faculty, graduates and students and design industry in India and NIFT faculty/ graduates and students shall visit Myanmar on reciprocal basis.

Article 3

The National School of Drama (NSD) shall send a theatre teacher/ director from NSD to conduct theatre training programme and meet theatre experts. The duration of this visit will be for 4 to 6 weeks.

Article 4

Lalit Kala Akademi (LKA) will invite its counterpart in Myanmar to participate in Triennale-India (an Exhibition of Contemporary World Art) to be held in 2004-05. The participation may be accompanied by the Commissioner or Curator along with one participating artist. They may participate in International Artists Workshops which are organized alongside the Triennale-India.

Article 5

Lalit Kala Akademi will send an exhibition of Contemporary Art to Myanmar duly accompanied by the Commissioner or Curator and a technical expert.

Article 6

The National Archives of India will provide training facility in the field of record management, conservation, preservation of records to Myanmar officials. Details shall be finalized by mutual consultation through diplomatic channels.

Article 7

The Indian side shall receive and the Myanmar side shall send a delegation of five children (between 12 to 16 years) and one resource person to participate in children's Assembly and Youth Festival once during the validity of the Programme.

Article 8

National Council of Science Museums will send one senior level Curator/Education Officer to study Myanmar non-formal science teaching centers. The Myanmar visitor will study NCSM Centres for identifying and

strengthening collective programme on non-formal science teaching in schools. The duration of visits will be two weeks on each side.

Article 9

Both sides will exchange Museum personnel, publications and brochures etc. Details will be finalized after mutual consultations through diplomatic channels.

Article 10

Both sides will exchange handicrafts exhibition. Terms and conditions will be decided through diplomatic channels.

Article 11

Both sides shall hold joint philatelic exhibitions every year. Each country will extend invitation to the other to conduct such exhibitions on dates and in cities mutually agreed upon. Details will be finalized after mutual consultations.

Article 12

Both sides will exchange ideas in marketing of philatelic products and training facilities through mutual visits.

Article 13

Department of Posts will have joint issues of stamps and souvenir sheets.

Article 14

Both sides shall exchange experts in the fields of conservation, preservation and restoration of monuments for a period of ten days.

Article 15

Indian Museum will invite Scholars from Myanmar for a National Seminar on 'Approaches to Indian art' to be held in India.

Article 16

Both sides shall exchange and hold exhibitions on Buddhism in their countries.

Article 17

Both sides shall undertake and exchange of a 15-Member cultural troupe.

Article 18

The Indian Council for Cultural Relations shall sponsor 6 scholarships to Myanmar students for studies in India.

II. Mass - Media

Article 19

Both sides shall endeavour to exchange two public relations officers and two journalists each including one who is engaged in dissemination of Government information, for a period not exceeding two weeks a year and also exchange of professionals from broadcasting side on mutually acceptable terms and conditions.

Article 20

Both sides shall endeavour to exchange documentary, radio and TV programmes on mutually acceptable terms and conditions.

Article 21

Both sides shall take measures to promote Film weeks in each other's country.

III. Youth Affairs and Sports

Article 22

Both sides shall share the experience in the field of sports and explore possibilities of exchanging sports teams/coaches and Sports Administrators in diverse disciplines, the details thereof will be decided through mutual consultations.

Article 23

Both sides shall exchange a 6-member youth delegation in order to familiarize themselves with the working of youth organizations and their activities in the area of Ecology and Environment Enrichment, Gender and

Development and Adolescent and Reproductive health for a period of ten days.

In WITNESS WHEREOF, the undersigned duly authorized by their respective Governments have signed this programme.

Done at New Delhi on 25th October, 2004 in six originals, two each in Hindi, Myanmar and English, all texts being equally authentic. However, in case of divergence of interpretation, the English text shall prevail.

Sd/-	Sd/-
For the Government of	For the Government of
The Republic of India	The Union of Myanmar
Name: S. Jaipal Reddy	Name : U.Nyan Win
Designation: Minister of Culture.	Designation: Minister of Foreign Affairs.

General and Financial Provisions

A. **General Provisions:**

1. **Exchange of Individuals / Delegations/Exhibitions**

a) Each Party shall send to the other party the bio-data (including languages spoken) in English and proposed itinerary at least two (2) months in advance of the expected date of visit of the delegation or individuals selected under this Programme and at least four (4) months in advance in the case of performing delegations and exhibitions. The receiving party shall intimate the acceptance or otherwise of the proposals within one (1) month of the proposal.

b) After the approval to the proposal has been received, the sending party shall inform the receiving party at least three (3) weeks in advance.

c) Person (s) or delegation invited should know either the language of the receiving party or English.

d) Both parties shall extend all facilities to the delegations and individuals sent from the other country to get acquainted with the culture and life of the host country.

2. Exchange of Exhibitions

a) Separate agreements shall be reached between the promoting party and the receiving party with regard to exhibitions.

b) The sending country shall inform the receiving country about the technical details of the proposed exhibition.

c) The necessary information for the elaboration of the corresponding catalogue must be sent three (3) months before the inauguration date.

d) The art exhibits must arrive at their destination fifteen (15) days before the opening of the exhibition.

3. **Exchange of Materials**

Each party shall have the right to use the materials exchanged in the fields of information, radio and televisions in its own programmes and such programmes should not be given by the receiving side to a third party. The sending party shall be responsible for authors' and artists' rights as well as for transportation expenses.

B. Finances

1. Exchange of Persons and Scholars

As long as the institutions participating in the present programme do not decide on the contrary, the following regulations shall be in force:

a) The sending country shall cover the costs of to and fro travel.

b) The Indian side shall cover board, food and internal travel expenses, as well as emergency medical expenses.

2. Visits not Exceeding one month

In case of visits of performing troupes and delegations for a period not exceeding one month the sending side shall cover travel expenses to and fro from both the capitals.

In the case of visits not exceeding one month the Indian side shall offer:

(a) Internal travel;

(b) Free accommodation in a suitable hotel or a university guest house;

free board or a cash allowance at the rate of Rs.300/- per day per person for board if breakfast is included in the lodging; otherwise Rs.330/- per day per person;

(c) local transport or Rs.75 per day;

(d) an out of pocket allowance of Rs.50/- per day for sundry expenses;

(e) free medical care in case of sudden illness.

The Myanmar side shall offer; -

c) Local transport or internal travel expenses according to the programme of the visits;

d) Suitable free accommodation; and

c) Suitable Boarding and Lodging.

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246. Joint statement issued at the end of the visit of Senior General Than Shwe, Chairman of the State Peace and Development Council of the Union of Myanmar to India.

New Delhi, October 29, 2004.

At the invitation of H.E. Dr. A.P. J. Abdul Kalam, President of the Republic of India, H.E. Senior General Than Shwe, Chairman, State Peace and Development Council (SPDC) paid a State visit to India from October 25-29, 2004.

2. The Chairman of SPDC, H.E. Senior General Than Shwe was accompanied by a high level delegation including H.E. Lt.-Gen. Thein Sein, Secretary-I, SPDC; H.E. Lt-Gen. Thiha Thura Tin Aung Myint Oo, Member, SPDC; H.E. U Aung Thaung, Minister for Industry -I; H.E. U Nyan Win, Minister for Foreign Affairs; H.E. Brig.-Gen. Thein Zaw, Minister for Communication, Posts and Telegraphs; H.E. Brig.-Gen. Lun Thi, Minister for Energy; H.E. U Thaung, Minister for Science and Technology; H.E. Prof. Dr. Kyaw Myint, Minister for Health; H.E. Maj.-Gen. Aung Min, Minister for Rail Transportation; H.E. Brig-Gen. Thura Myint Maung, Minister for Religious Affairs; H.E. U Kyaw Thu, Deputy Foreign Minister, and other senior officials.

3. H.E. Senior General Than Shwe and Daw Kyaing Kyaing, and members of the Myanmar delegation were extended a warm and cordial welcome to India by H.E. Dr. A.P.J. Abdul Kalam and the Government and people of India. H.E. Senior General Than Shwe expressed his happiness at the opportunity to visit a close and friendly neighbour and conveyed his warm and sincere greetings to H.E. Dr. A.P.J. Abdul Kalam and to the Government and people of India.

4. In New Delhi, H.E. Senior General Than Shwe and Daw Kyaing Kyaing were accorded a ceremonial welcome by H.E. Dr. A.P.J. Abdul Kalam. H.E. Senior General Than Shwe and Daw Kyaing Kyaing called on H.E. Dr. A.P.J. Abdul Kalam. H.E. Shri Bhairon Singh Shekhawat, Vice President of India, H.E. Shri K. Natwar Singh, Minister of External Affairs and Shri L.K. Advani, Leader of the Opposition (Lok Sabha) called on H.E. Senior General Than Shwe.

5. H.E. Senior General Than Shwe also held extensive discussions with H.E. Dr. Manmohan Singh, Prime Minister of India on bilateral, regional and international issues of mutual interest. The discussions enabled better understanding and appreciation of each other's concerns and perspectives and enhanced closer understanding at the political level. Both sides agreed to regular exchange of high-level visits in the future.

6. H.E. Senior General Than Shwe informed the Indian leadership about the implementation of country-wide all-round development tasks undertaken in Myanmar by SPDC. The Myanmar side reiterated its strong commitment to building a modern, democratic state suited to Myanmar's needs and conditions. The Myanmar side briefed the Indian leadership about the process of national reconciliation and reconvening of and deliberations in the National Convention in accordance with the seven-step Roadmap elaborated by the Government of the Union of Myanmar in August 2003.

7. The Indian side noted the resolve of the Myanmar leadership to build an enduring democratic system in Myanmar and expressed support for national reconciliation and early transition to democracy in Myanmar. The Indian side stressed that it wished to see a stable, peaceful, prosperous and democratic Myanmar and was ready to assist the Government and people of Myanmar on their path to further political and economic progress.

8. The two sides expressed satisfaction that bilateral cooperation was

proceeding smoothly in a wide range of areas such as infrastructure, human resource development, industry, railways, oceanography, science & technology etc. and agreed to expand bilateral interaction to the health sector, the energy sector, ICT and higher education. While taking note of the steady expansion in the trade turnover between the two countries, they emphasised that the present bilateral trade level was not commensurate with existing potentialities. They agreed to direct their Ministers concerned to take appropriate measures in order to raise bilateral trade to US$ 1 billion by 2006 as proposed by the Joint Trade Committee. The two sides emphasised the role of the private sector and cross border investment in strengthening bilateral economic and commercial cooperation and agreed to encourage efforts in this direction. The Myanmar side assured that it would welcome and actively facilitate private Indian investment in Myanmar.

9. The Indian side extended to the Government of the Union of Myanmar a Line of Credit of US$ 7 million for two telecom projects and announced a grant of US$ 3 million for implementation of IT-related projects. The Myanmar side expressed its deep gratitude for the Line of Credit and the grant. The Myanmar side also thanked warmly the Indian side for providing in July 2004 a special Line of Credit of US$ 56.358 million for upgradation of the Yangon-Mandalay trunk-line and allied facilities.

10. The two sides fully shared the view that economic development of the region along the India-Myanmar border required special focus. Noting that the Tamu-Kalemyo Road had greatly improved economic conditions in the area, the Myanmar side expressed appreciation for the maintenance of the road by the Indian side. Both sides expressed satisfaction that several other cross-border projects such as the Tamanthi Hydroelectric Project, the Rhi-Tiddim and Rhi-Falam roads and the Kaladan Multi-modal Transport Project were on the anvil. It was decided that, keeping in view the vital importance of these projects to the economic welfare of the peoples living in the border areas and to improving connectivity between the two countries, their implementation should be expedited. It was also decided that specific measures would be taken to encourage border trade.

11. At the same time, the two sides agreed that maintenance of peace and security along the border areas was an essential pre-requisite to successful implementation of cross border projects and to bringing about economic prosperity in the area. Both sides reiterated their firm determination to maintaining peace, stability and tranquillity along the entire

length of their common border. The Myanmar side reiterated that it would not allow insurgent activities against India from its soil. The Indian side thanked the Myanmar side for the assurance. Both sides agreed to take necessary steps to prevent cross border crimes, including drug trafficking and arms smuggling, and to upgrade substantially bilateral cooperation in this context.

12. Regular visits involving the three Services, Port Calls by Indian Naval Vessels, participation of Myanmar in 'Milan 2003' and 'DEFEXPO India 2004', performances by SKAT in Myanmar and visits by sports teams were reviewed with satisfaction and it was agreed to encourage such exchanges. The Myanmar side expressed appreciation with the training of Myanmar personnel in India. Both sides agreed that possibilities of expanding cooperation in the defence sphere would be examined.

13. The two sides recalled that they were bound by enduring cultural and spiritual links. They noted with satisfaction on-going bilateral cooperation in the cultural sphere. The Myanmar side thanked the Indian side for extending facilities to pilgrims from Myanmar. Both sides underscored that tourism promotion would nurture age-old ties and contacts at the people to people level.

14. In discussing the international situation, the two sides reaffirmed the validity and relevance of the principles of Panchsheel to inter-State relations. They observed that an equitable world order alone would allow solutions to challenges emanating from processes of economic development and advancements in science and technology. They noted that growth of extremist ideologies and terrorism posed a serious threat to global peace and security. They declared that terrorism anywhere in the world and in any form and manifestation was completely unacceptable.

15. The two sides also agreed that the United Nations had an important role to play in dealing with present-day challenges and, therefore, restructuring and reform of the United Nations in line with global realities was necessary. They were of the view that an expanded UN Security Council would give it greater legitimacy and enhance its effectiveness. The Myanmar side conveyed full support for India's bid for Permanent Membership of the UNSC.

16. Both sides noted that India-Myanmar relations were an important

factor in enabling regional cooperation. They expressed satisfaction that regional initiatives such as the India-ASEAN partnership and BIMST-EC had assumed concrete form and content. They agreed to work closely in promoting regional cooperation in its various dimensions. The Myanmar side thanked India for its assistance under the IAI of ASEAN.

17. While in New Delhi, H.E. Senior General Than Shwe laid a wreath at the memorial of Mahatma Gandhi. H.E. Senior General Than Shwe and Daw Kyaing Kyaing, and the Myanmar delegation will be visiting Agra, Bangalore, Bodhgaya, Sarnath and Kolkata before returning to Yangon.

18. During the visit, the following documents were signed: (i) MoU on Cooperation in the field of Non-traditional Security Issues; (ii) MoU between the Ministry of External Affairs, Government of India and the Department of Hydropower, Government of the Union of Myanmar on the Tamanthi Hydro-electric Project; and, (iii) the Cultural Exchange Programme for the years 2004-2006. The Export-Import Bank of India and the Myanma Foreign Trade Bank signed an agreement on a special Line of Credit of USD 7 million for commissioning of CorDECT WLL based basic telephone and internet networks in Yangon and Mandalay and installation of an Optical Fibre Cable between the border towns of Moreh and Tamu. A comprehensive report on long-term business linkages between India and Myanmar, prepared jointly by the Confederation of Indian Industry and the Union of Myanmar Federation of Chambers of Commerce and Industry, was also released.

19. Separately in New Delhi, bilateral discussions were held between India's External Affairs Minister H.E. Shri K. Natwar Singh and Myanmar's Minister of Foreign Affairs, H.E. U. Nyan Win; India's Commerce and Industry Minister, H.E. Shri Kamal Nath and Myanmar's Minister for Industry- I, H.E. U. Aung Thaung; India's Minister for Railways, H.E. Shri Laloo Prasad Yadav and Myanmar's Minister for Rail Transportation, H.E. Maj. Gen. Aung Min; India's Minister of Communications and Information Technology, H.E. Shri Dayanidhi Maran and Myanmar's Minister for Communications, Posts and Telegraphs, H.E. Brig.-Gen. Thein Zaw; India's Minister of State (Independent charge) for Science and Technology, H.E. Shri Kapil Sibal and Myanmar's Minister for Science and Technology, H.E. U. Thaung; and Myanmar's Minister for Energy, H.E. Brig.-Gen. Lun Thi and India's Secretary, Ministry of Petroleum and Natural Gas, Shri S.C. Tripathi.

20. H.E. Senior General Than Shwe invited H.E. Dr. A.P.J. Abdul Kalam

to pay a State visit to Myanmar. The invitation was accepted with pleasure.

21. H.E. Senior General Than Shwe also invited H.E. Dr. Manmohan Singh to pay an official visit to Myanmar. H.E. Dr. Manmohan Singh conveyed an invitation to H.E. Lt Gen Soe Win, Prime Minister of the Union of Myanmar to visit India.

22. H.E. Senior General Than Shwe thanked H.E. Dr. A.P.J. Abdul Kalam and the Government and people of India for warm and friendly reception and gracious hospitality accorded to him and to the Myanmar delegation.

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SINGAPORE

247. Joint press statement issued at the end of the visit of Singapore Prime Minister Goh Chok Tong.

New Delhi, July 10, 2004.

His Excellency Mr. Goh Chok Tong, Prime Minister of Singapore paid a State Visit to India from 8th to 11th July, 2004 at the invitation of Prime Minister Manmohan Singh. He was accompanied by Minister of Foreign Affairs and Law, Prof. S. Jayakumar; Minister of Trade and Industry Mr. George Yeo Yong-boon and senior officials from the Government of Singapore.

During the visit, Prime Minister Goh called on the President and Vice President of India. He also had a restricted meeting as well as delegation-level talks with the Prime Minister, who also hosted a banquet in honour of the visiting dignitary. President of Congress Party and Chairman of the United Progressive Alliance Coordination Committee; Minister of External Affairs; Minister of Commerce and Industry; and Leader of the Opposition in the Lok Sabha called on Prime Minister Goh Chok Tong. Prime Minister Goh also had a meeting with Shri Atal Bihari Vajpayee, former Prime Minister.

The President of India presented the Jawaharlal Nehru Award for International Understanding 2003 to His Excellency Prime Minister Goh Chok Tong. Prime Minister Goh paid a glowing tribute to Pt. Jawaharlal Nehru, whom he described as “an inspiration to the generation that had

fought to free themselves from colonial rule".

The two Prime Ministers led their delegations at the bilateral talks. Both sides agreed that their strategic and economic interests are convergent. India expressed appreciation for Singapore's very positive and constructive role in enhancing India's interaction with ASEAN[1]. They expressed great satisfaction at the strengthening and diversification of their bilateral relations and resolved to take them to even greater heights in a variety of areas.

In that context, the two Prime Ministers noted their common concerns and the identity of their views on the threat to open and democratic societies from terrorism and extremist violence. They called for effective international cooperation to combat terrorism and deny sanctuaries to terrorist outfits. They expressed satisfaction at their growing consultation and cooperation in this area. They welcomed the institutionalisation of the bilateral Joint Working Group on Intellligence Cooperation on Combatting Terrorism and Transnational Organised Crime and the finalisation of the bilateral Mutual Legal Assistance Treaty on Criminal Matters. They hoped that the Treaty would come into effect shortly and further enhance bilateral cooperation in the area of law enforcement.

The two sides noted the signing of the Defence Cooperation Agreement in October 2003 and the establishment of the Defence Policy Dialogue under its auspices. Bilateral interactions between the Armed Forces of the two countries have increased in depth and scope. Both sides positively assessed the potential and scope for defence cooperation between the two countries covering bilateral exercises, training arrangements, professional and high level exchanges and visits and collaboration in defence technology research. They saw the consolidation of defence ties as a natural evolution of their excellent political understanding. These ties would be a factor for peace and stability in the region.

The Prime Ministers reviewed the progress of negotiations for the

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1. When the Deputy Prime Minister of Singapore Tony Tan on a visit to India in October was asked whether Singapore supported the conversion of the ASEAN "plus three" (Japan, South Korea and China) entity into an "ASEAN plus four" that would include India, Dr. Tan said his country supported all initiatives for India to engage more closely with ASEAN countries. Dr. Tan who is also the Coordinating Minister for Security and Defence said Singapore believed that this would be beneficial for both the 10-member ASEAN grouping as well as India. "But ASEAN, of course, is an organization which works by consensus. Singapore is not in a position to unilaterally make any decision." Dr. Tan said Singapore was happy that India now had a regular dialogue under the "ASEAN plus one" formula with India.

conclusion of a Comprehensive Economic Cooperation Agreement (CECA). Both sides attached importance to the Agreement, recognizing its potential for further cementing their growing economic and commercial ties. The Prime Ministers commended the progress so far and directed their officials to work purposefully towards concluding the negotiations early.

Both sides welcomed the initiative of the Prime Minister of Singapore, with the support of the Singapore Business Federation and the Confederation of Indian Industry to set up the Singapore-India Partnership Foundation to promote exchanges between the two countries. They expressed hope that this Foundation would play an important catalytic role in promoting the further development of Singapore-India bilateral relations[1].

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THAILAND

248. Press briefing by Official Spokesperson on External Affairs Minister K. Natwar Singh's meeting with the Foreign Minister of Thailand.

New Delhi, October 15, 2004.

- External Affairs Minister Shri K. Natwar Singh met with Foreign Minister of Thailand Dr. Surakiart Sathirathai in Bangkok today. The Thai Foreign Minister said after the meeting that the talks were comprehensive and covered all aspects of bilateral relations. He expressed satisfaction at the growing bilateral relations. He emphasized Thailand's Look West policy and said that this Thai policy and India's Look East policy were complementary.

- EAM also expressed satisfaction over the growing bilateral relations between India and Thailand and appreciated Thailand for looking after the Indian community in Thailand.

- On the issue of cooperation on combating terrorism, EAM mentioned

1. On October 29 Dr. Tan backed Indian "proposal" for a permanent seat on the UN Security Council. He said in New Delhi that India's entry would be "appropriate and logical".

that terrorism was a worldwide scourge and recalled that it was decided at the BIMSTEC Summit meeting to jointly combat this scourge. The Thai Foreign Minister mentioned that Thailand was working closely with India in tackling security issues in particular those pertaining to terrorism, illegal trade of arms, drugs and piracy.

- EAM also mentioned that he was looking forward to the visits of HRH Princess Chulabhorn and Dr. Surakiart to India in November[1].

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VIETNAM

249. Speech of External Affairs Minister K. Natwar Singh at the Institute of International Relations to Commemorate the 50th Anniversary of the Meeting between Pandit Jawaharlal Nehru and Ho Chi Minh in Hanoi.

Hanoi, October 17, 2004.

Excellency Mr. Nguyen Dy Nien, Foreign Minister of Vietnam, Friends,

I am very pleased to be at this function to commemorate the 50th anniversary of the Hanoi meeting between late Prime Minister Jawaharlal Nehru and late President Ho Chi Minh, the two stalwarts history has produced. This event, the first meeting between a foreign leader and President Ho Chi Minh in Hanoi, within a week of the city's liberation was a momentous one. The chemistry of friendship at the first meeting laid the foundation for strong Indo-Vietnam relations. The vision, the forethought and the sincerity of the two leaders helped craft and weave a durable fabric of our relationship that retains its shine and colour even today.

Both Pandit Nehru and President Ho Chi Minh were father figures for their citizens and they looked after their respective peoples like their own family. These two leaders also laid the foundation for economic development, building of State institutions and system of socio-economic justice for their

1. The visits however, did not materialize in 2004.

peoples. Thanks to these initiatives based on sincerity, foresight and love for their countries and countrymen, that today both India and Vietnam can look at their achievements with a sense of pride. For this, we owe our heart-felt gratitude to the leadership of Pandit Nehru and Uncle Ho Chi Minh, who would continue to remain as guiding lights for our societies.

Nehru and Ho Chi Minh also laid enviable foundation of the respective foreign policies for us. These ideas were based on their profound understanding of the global situation, own national interests and the pulse of their people. Whether it was the principles of non-alignment or Panchsheel, they had the ability to rise and focus on priorities for safeguarding not only their own national interest but also the developing world as a whole. India's "Look East Policy" of the last two decades is a continuation of that thesis and Vietnam's membership of ASEAN gives us yet another framework for converting Asia into a model of economic development with a human face. That would be the most valuable and truthful tribute to the leadership of Nehru and Ho Chi Minh.

The current process of economy and technology-driven globalisation brings enormous opportunities and challenges. The great leaders had understood the importance of global inter-dependence as well as the impact of technology right at the inception. As a result, we have both achieved visible progress in developing a sound technological base. This sector also provides enormous opportunities for enhancing our bilateral cooperation. Apart from the Government-funded cooperation for scholarships and training, there are some 35 institutions of IT across Vietnam set up by Indian and Vietnamese entrepreneurs. We need to continue working in this direction and promote closer links to our mutual advantage.

I would also like to announce that India is willing to help set up a multi-disciplinary undergraduate institution in Vietnam, with your cooperation. Apart from engineering, information technology and management, other professional subjects of immediate application in the modern era could be taught there. This institution apart from helping young minds to think and innovate will be an inspiration for stronger friendship for the coming decades.

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1. The occasion for the EAM's visit was the 12th Joint Commission meeting with Vietnam which was scheduled at Hanoi between the 15th and 18th of October.
   The session of the Joint Commission was co-chaired by the External Affairs Minister Shri

To conclude, I would like to take this opportunity to thank the Director General of the Institute of International Relations for organizing this seminar to commemorate this historic event.[1]

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K. Natwar Singh, and his Vietnamese counterpart, Mr. Nguyen Dy Nien.

The Joint Commission coincided with the 50th anniversary of the meeting between former Prime Minister Pandit Jawaharlal Nehru and former President Ho Chin Minh. This meeting had taken place 50 years ago in Hanoi. To mark this historic and important occasion, the Institute for International Relations of the Vietnamese Ministry of Foreign Affairs organized a special seminar on 17th October 2004. The other function organized in Vietnam to commemorate the 50th anniversary of Pandit Nehru's visit to Vietnam was the meeting by the Vietnam Union of Friendship Organisations.

Giving background information about the visit of EAM the Spokesman of the MEA Navtej Sarna told the media on October 15 that this was the "first visit of Shri Natwar Singh to Vietnam since 1988. As you know there has been a series of high level visits over the last few years. The impetus to bilateral relations was provided by the visit of the General Secretary of the Communist Party of Vietnam in May 2003 in which a Joint Declaration was signed at the end of the visit. The present Joint Commission will be an opportunity to fulfill many of the goals set out in that Joint Declaration. We have ongoing cooperation with Vietnam in several areas – HRD, trade, agriculture, animal husbandry, interaction between private sectors of both countries, Joint Ventures particularly in infrastructural fields. There are several other areas that can be identified for future cooperation which will be looked at during this Joint Commission."

"Vietnam is a part of ASEAN for the last 10 years and given India's Look East Policy which is a little over 10 years, it has coincided with the developments in India-ASEAN relations as well as Vietnam's growing participation in several projects. Vietnam is an important partner in the Mekong-Ganga Cooperation."

On October 17 the External Affairs Minister Mr. K. Natwar Singh accompanied by Mrs. Natwar Singh met legendary General Vo Nguyen Giap at his residence in Hanoi.

- During the meeting EAM conveyed respects and greetings from the PM, President of the Indian National Congress and on behalf of the people of India. Citing the meeting between Prime Minister Nehru and President Ho Chi Minh 50 years back to the day, EAM said that India and Vietnam have very close relations and India has the highest respect for its relations with Vietnam.
- In response General Vo Nguyen Giap, who is 93, recalled the same meeting and said he remembered not only Prime Minister Nehru but also his daughter Indira Gandhi, whom President Ho Chi Minh adopted as his niece. He went on to convey his greetings to the leadership in India and pointed out the special aspect of the closeness of the relations between the two countries. He also said that in his many visits to India, he had visited many scientific and industrial institutions and emphasized that his feeling for India was a profound one. Pointing out that many Vietnamese students studying in India, he thanked the Indian Government for all the help that has been received. He also mentioned that given the excellent political relations between the two countries there was need to bring about the same closeness in the economic and cultural field. He conveyed his greetings to the Hon'ble Prime Minister of India and to the President of the Indian National Congress Mrs. Sonia Gandhi.
- The meeting was held in a very warm and friendly atmosphere.

250. Speech by External Affairs Minister K. Natwar Singh at the Vietnam-India Friendship Association to commemorate the 50th Anniversary of the meeting between Jawaharlal Nehru and Ho Chi Minh.

Hanoi, October 18, 2004.

Mr. Hoang Van Phong, President of Vietnam-India Friendship Association (VIFA),

Mr. Vu Xuan Hong, President of Vietnam Union of Friendship Associations (VUFO),

Friends,

Our meeting here today symbolizes the dreams and vision of two great leaders a generation ago, who were able to successfully realize them in a simple but effective way. I am greatly pleased to be among the friends of India to commemorate this historic meeting. The people to people friendship that exists between our two countries is genuine, deep rooted and full of feeling. It was the consistent nurturing of the idea that was planted by late Prime Minister Nehru and President Ho Chi Minh fifty years ago, that has grown into a great tree today. The hope of a better tomorrow and the method to achieve it is the central message of our friendship. The atmosphere for progress is as important as progress itself in fact a little more. Fifty years ago the two leader created that atmosphere. In this journey both our countries have achieved the goal of friendship, peace and mutual cooperation among all, so that the dividend of progress is available across society.

Vietnam and India have been bound together by a link, going back many centuries. Whether it was culture or education or architecture, our friendship has always had a character that has emphasised sharing, for the future. The growth of our relations resulting in today's multifaceted cooperation, have been highly beneficial for the two countries. For this we have not only to thank our two great leaders, Pandit Nehru and Uncle Ho, but also the simple message of friendship they gave 50 years ago, which was easily understood and assimilated by the people of the two countries. Whatever the field, India and Vietnam have diversified cooperation reflecting the aspirations of the two peoples.

The Vietnam India Friendship Association has contributed to this by spreading the message of Indian culture, dance, music and history by starting a school of Indian dance in Vietnam and by publishing many books including the Discovery of India by late Prime Minister Nehru. Jawaharlal Nehru was one of the greatest communicators of his generation. The ease with which he was able to transmit his thoughts to everyone in the society was a gift. I take great pride in announcing today, the institution of two scholarships on a biennual basis to young journalists to undergo training at a suitable institution in India. These journalists can be recommended jointly by the Vietnam India Friendship Association and the Ministry of Foreign Affairs of Vietnam. I am sure that as the years go by these young communicators will not only emulate the ideas of the two great leaders, but to break a new path for elevating our friendship to higher levels.

After all, what is friendship? It reflects understanding, happiness at being together, peace, harmony, cooperation for mutual benefit, but most important of all, empathy – to try and understand the others' point in correct perspective. This presence of empathy is the unique element in our friendship. The close understanding that exists between us is but a reflection of this empathy.

We look back today at our friendship and at the two leaders who patiently worked at it. We see their wisdom, their vision and draw from their inspiration to make this friendship more beautiful. Thank you.

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(ii) EAST ASIA
CHINA

251. Reaction of the Official Spokesperson to the Chinese move on Sikkim[1].

New Delhi, May 6, 2004.

"As you are aware, during Prime Minister's visit to China in June 2003, a process was started by which Sikkim would cease to be an issue in India-China relations. In this regard, we have taken note of the latest developments."

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252. Media briefing by Official Spokesperson on the meeting between External Affairs Minister K. Natwar Singh and the Chinese Foreign Minister Li Zhoaxing on the margins of the Asia Cooperation Dialogue in Qingdao (China).

New Delhi, June 21, 2004.

Please see Document No. 18.

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1. The spokesperson was reacting to Chinese move to delete Sikkim as an independent country from their Foreign Ministry's official web site.

253. Remarks by External Affairs Minister K. Natwar Singh at the Reception hosted by Ambassador of China to India Hua Junduo to commemorate the 50th Anniversary of Panchsheel.

New Delhi, June 25, 2004.

Mr. Ambassador and friends,

This is a very special occasion. It is, therefore, for me an honour to be here today to commemorate the 50th anniversary of Panchsheel, which was formally laid down as a framework for the conduct of international relations in the Joint Statement issued on the 28th of June, fifty years ago, by Prime Minister Jawaharlal Nehru and Premier Zhou Enlai. These two great leaders had a clear vision of how nations should interact to bring about peace and harmony in the world. This vision led to the conceptualisation of the Panchsheel or the Five Principles of Peaceful Co-existence in 1954.

Today, in commemorating Panchsheel, we pay homage to the vision of these great leaders in formulating these five principles. Their relevance has endured through the years as a guide for the peaceful and harmonious conduct of international relations. Panchsheel enshrines the right of all nations to choose their own path while interacting with others on the sound basis of mutual respect and equality. Panchsheel facilitates the expression of the views held by the less-developed countries, so that their concerns can be given due weight in the new international economic, social and political order. Panchsheel also provides the framework within which equitable globalisation, which embraces multi-polarity and democracy and creates space for all to live in peace and prosperity, can be achieved to the mutual satisfaction and benefit of all.

Last but not least, this occasion also gives us the opportunity of emphasizing the friendly and cooperative relationship that exists today between India and China, and our mutual desire to develop wider and closer cooperation and understanding in regional and international affairs. I have just returned from Qingdao, where I attended the meeting of the Foreign Ministers of the Asian Cooperation Dialogue hosted by China. It was clear that India and China held similar positions on many issues of regional and

global significance. I also had the opportunity of meeting my Chinese counterpart, Mr. Li Zhaoxing, and we had a warm, cordial, and constructive discussion on the gamut of our relationship. We shall continue to work together to qualitatively enhance our bilateral interaction in all areas and at all levels, and to maintain, and indeed accelerate, the growth of our bilateral friendship and cooperation.

Let me, therefore, on this historic occasion, request all of you gathered here today to join me in acknowledging the timeless relevance of the vision that created Panchsheel and in looking forward to the peaceful, prosperous, stable and secure world that we can build with the help of Panchsheel.

If humankind succeeds in surmounting the hurdles each age erects, and reaches the fields of ever unfolding peace and goodwill then the footprints of Nehru and Chou will be an inspiration to generations to come.

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254. Remarks by External Affairs Minister K. Natwar Singh at a function to release Special Cover on the 50th Anniversary of Panchsheel.

New Delhi, June 28, 2004.

Shri Dayanidhi Maran, Minister for Communication and Information Technology, Foreign Secretary, Secretary (Posts) Shri Vijay Bhushan, Excellencies, Ladies and Gentlemen,

It is a privilege to be here amongst you today on the occasion of the 50th anniversary of Panchsheel. On this day, fifty years ago, Prime Minister Jawaharlal Nehru and Premier Zhou Enlai issued a Joint Statement that elaborated their vision of Panchsheel as the framework, not only for relations between India and China, but also for their relations with all other countries. The inspiring ideals enshrined in the five principles of peaceful co-existence have since become not only an integral part of the foreign policy of India, but have also been widely accepted in the international community.

It is appropriate, therefore, that China and India have decided to celebrate the 50th anniversary of Panchsheel this year in a befitting manner. Our leaders have exchanged messages today, felicitating each other on this memorable occasion. There are also several other activities that have been planned through this year, including publication of commemorative volumes and holding of seminars.

The quintessence of Panchsheel is rooted in the cultural traditions of India and China, two of the world's most ancient civilizations. It also provides the framework for developing new methods of international interface while allowing countries to maintain their national identity, spirit and character.

For more than a decade now, we have been witnessing a great degree of turbulence in international affairs. New paradigms are being tested and a new architecture for international relations is gradually taking shape. Many of the old challenges of development remain even as new challenges and opportunities have emerged. The world is getting smaller. Yet, new fault lines have emerged.

Theories have been advanced of globalisation extinguishing national sovereignty and diversity in the world. Some fear the emergence of monolithic world system. It is our view that such theories are unsustainable

and antithetical to a democratic world order. Globalisation should not become the worldwide manifestation of 'strong overpowering the weak'. Instead, it should pave the way for " a federation of friendly inter-dependent nations", where no one dominates or exploits the other, as Prime Minister Nehru envisaged. The relevance of Panchsheel, therefore, is in the strength it lends to the voice of nations, big and small, in articulating their concerns and interests in the new international political, economic and social order that is being defined today.

Friends, the fulcrum of political and economic activity in the world is shifting towards Asia. It is widely acknowledged that the future of Asia cannot be de-linked from the future of India and China. This, I think, is to be seen as a positive force. Both countries, with economic strength and constructive diplomacy, can contribute not only to the overall peace and stability of the world, but also to improving the lot of humanity in virtually every sphere. It is both logical and in the enlightened self-interest of the two countries to cooperate and build on what is common.

India's relations with China are in the process of further diversification and development. We have agreed at the highest level to move ahead in diverse areas of cooperation. Both India and China have on many occasions reiterated their commitment to developing their long-term constructive and cooperative partnership on the basis of mutual sensitivity to each other's concerns, equality and the principles of Panchsheel.

In my meeting with Foreign Minister Li Zhaoxing a few days ago in Qingdao, he conveyed to me China's desire to work with India to develop deeper relations. I also told him that the new Government in India will continue the process of normalizing, strengthening and expanding our relations with China. It will be, at the same time, our endeavour to address all outstanding issues in a fair, reasonable and mutually acceptable manner. As Prime Minister Manmohan Singh remarked in his address to the nation on June 24, we shall carry forward the process of discussion to resolve the boundary question from the political perspective of our bilateral relations.

The world is now poised on the brink of significant change where interdependence and recognition of the oneness of humanity is the abiding basis of the new emerging international structure. With Panchsheel as the conceptual framework, India intends to strive, in the 21st century, for a world where shared prosperity coexists, without injury to human dignity.

In this context, the words of Prime Minister Nehru resonate even after 50 years. He said:

"We must recognise that the only way to live in this world is through co-existence and cooperation and recognition of the right of each country to live its own life. There can be no East and West ranged against each other in the future. There could be only one world devoting itself in friendly cooperation between the different paths to the advancement of humanity."

This, I believe, is the essence of Panchsheel.

With these words, I extend my felicitations to everyone on this memorable occasion.

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255. Press statement issued by the Government of India at the end of the 3rd meeting of the Special Representatives of India and China on the Boundary Question.

New Delhi, July 27, 2004.

The third meeting of the Special Representatives of the Governments of India and China on the Boundary Question was held in New Delhi on July 26-27, 2004. The meeting between the National Security Advisor, Mr. J.N. Dixit and the Vice Foreign Minister, Mr. Dai Bingguo, Special Representatives of India and China respectively, was held in a friendly, constructive and cooperative atmosphere[1].

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1. The boundary settlement talks were upgraded to the level of Special Representatives and since then two rounds of talks were held between the National Security Advisor Brajesh Mishra and Mr. Dai Bingguo. Analysts feel that the appointment of SRs reflected political will on the part of Beijing and New Delhi to negotiate final settlement on the border dispute. The Cabinet Committee on Security chaired by Dr. Manmohan Singh had on July 24 finalized the brief for the meeting. Emerging from the meeting Mr. Dixit said the CSS essentially discussed "what we should say to him (the Chinese Special Representative) and what we should ask him to inform us", when the two Special Representatives meet on July 26 and 27. The two sides had been holding regular talks on the issue and some progress had been made. China has agreed to adopt a sector-by-sector approach instead of insisting on a package deal while India has acknowledged Beijing's desire for a comprehensive settlement. The two sides have also compared maps of some sectors and exchanged views. The CSS meeting was attended by the Defence Minister Pranab

On July 27, Mr. Dai Bingguo called on the Prime Minister and the External Affairs Minister. During the call on the Prime Minister, he handed over a letter from the Chinese Premier, Mr. Wen Jiabao.

The two sides agreed to hold the next meeting in Beijing at a mutually convenient date.

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256. Media briefing by Official Spokesperson regarding information being received from China on the status of the artificial dam and the lake on the Parechu River in Tibet.

New Delhi, August 17, 2004.

In response to a question whether the Chinese Government has been providing information regarding the status of the artificial dam and the lake on the Parechu River in Tibet, the Official Spokesperson said:

"The Embassy of India, Beijing has been in constant touch with the Ministry of Foreign Affairs and the Ministry of Water Resources of China. The Embassy has been relaying to the Chinese side queries posed by our technical team regarding the status of the artificial dam and the artificial lake, hydrological data pertaining to the Parechu River, geological formation in the area, etc. In response, the Chinese authorities have been providing data and information which have been found to be most useful by our experts in assessing the situation and in making contingency plans accordingly. The Embassy is receiving inputs from the Chinese side on a regular basis. In addition, we are also receiving information through the designated contact point at Spanggur, where there is a "hotline" connecting the border personnel of the two countries.

It may also be noted that the Chinese authorities have stationed a technical team in the close vicinity of the area where the landslides have occurred leading to the formation of the artificial dam and the lake. We

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Mukherjee, the Union Home Minister Shivraj Patil, the External Affairs Minister K. Natwar Singh, the Union Finance Minister P. Chidambram and the Chief of the Army Staff, Gen. N. C. Vij.

have been given to understand by the Chinese side that while their personnel have not been able to reach the exact location of the dam/lake due to continuing landslides and unstable conditions, they are keeping the situation under observation from a distance of about 500 meters and sharing information with us on that basis. We appreciate the cooperation extended by the Chinese Government in this regard."

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257. Press release of the Ministry of External Affairs on the call by the Chinese State Councillor Tang Jiaxuan on Prime Minister Dr. Manmohan Singh.

New Delhi, October 20, 2004.

The visiting Chinese State Councillor His Excellency Mr. Tang Jiaxuan paid a courtesy call on Prime Minister in the evening of October 20, 2004. he conveyed the greetings of President Hu Jintao and handed over a letter from Premier Wen Jiabao to Prime Minister.

State Councillor tang Jiaxuan briefed Prime Minister on recent developments in India – China relations which he said had maintained a sound momentum. As a result of the efforts of both sides, the bilateral relationship had entered a new phase of development. He said that the proceeding from a long-term and strategic perspective, China is committed to the development of steady and sustained growth of relations with India. He conveyed that China supports a bigger role for India in the international community, including in the United Nations Security Council.

Prime Minister expressed satisfaction over the development of India – China relations and expressed the commitment of the Government of India to further develop bilateral relations and exchanges with China. He noted the enormous scope for cooperation between the two countries.

Prime Minister expressed happiness that the Chinese premier will be visiting India at an early date and mentioned that a warm welcome awaited him.

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258. Press release of the Ministry of External Affairs on the Visit of Chinese State Councillor Tang Jiaxuan.

New Delhi, October 20, 2004.

His Excellency Mr. Tang Jiaxuan, who is presently visiting India at the invitation of the Government of India, had a meeting lasting two and a half hours with External Affairs Minister, Shri K. Natwar Singh last evening (October 19, 2004). EAM was assisted by Foreign Secretary and other officials, while the Chinese delegation included Vice Foreign Minister Wu Dawei, Deputy Secretary General of the State Council Chen Jinyu and Vice Minister of Culture Meng Xiaosi. The delegation-level talks were followed by a working dinner hosted by EAM.

The discussions between the two sides were extensive and wide-ranging covering bilateral, regional and global issues. EAM and State Councillor agreed that India-China relations have entered a new phase of comprehensive growth and that the present positive trends should be maintained. They expressed satisfaction at recent high-level visits, which have contributed to mutual trust, and agreed to continue such exchanges. They agreed that the two countries should take a long-term and strategic perspective of bilateral relations, seize the opportunity provided by the current state of relationship and maintain its momentum. They also agreed to move the relations forward on a constructive agenda and to continuously expand and develop further areas of cooperation, while seeking fair, reasonable and mutually acceptable solutions to outstanding issues, including the boundary question.

While expressing satisfaction at the expansion of trade and economic relations, the two sides agreed to take further steps to make their trade and economic cooperation commensurate with the size of the two countries and the growth of their political relations. They expressed the view that the target of increasing the annual volume of bilateral trade to US$20 billion by the year 2010 was feasible.

The two sides decided that they would celebrate the 55th anniversary of the establishment of diplomatic relations, which falls on April 1, 2005. Details in this regard will be worked out through diplomatic channels.

EAM and State Councillor also agreed that cooperation in areas such

as science & technology, agriculture, water resources, energy, environment and culture, and exchanges between parliamentarians, youth and the militaries would be encouraged.

Earlier today, State Councillor Tang Jiaxuan also met National Security Advisor, Shri J.N. Dixit who hosted lunch in his honour. They exchanged views on various issues relating to bilateral relations of India and China, including the next meeting of the Special Representatives on the boundary question which will be convened later this year. They discussed a wide range of regional and multilateral issues, including developments in Iraq, Afghanistan, Iran, SCO and trilateral dialogue among India, China and Russia[1].

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1. On October 20 the Chinese State Councillor separately spoke to a group of journalists and suggested that India and China jointly take up the issue of "double standards" in fighting international terrorism, supported India's "dialogue policy" on Kashmir and hoped that New Delhi would play a "greater role", in the United Nations Security Council. Mr. Tang was bullish on the negotiations between India and China on the boundary question. He described the three rounds of talks between the Special Representatives on the border issue as a "very good start". Pointing out that Russia and China had recently sorted out their border dispute once and for all, he said: "being personally involved in the settlement of this question, I know very clearly that the boundary question between China and Russia was far more complicated than that between our two countries."
   Referring specifically to the seminal talks between Mao Ze-dong and India's Charge d' Affaires, Brajesh Mishra in Beijing in 1969, where the Chairman Mao suggested an end to quarrels between the two countries and the talks between Deng Xiaping and Rajiv Gandhi in 1988, Mr. Tang reiterated that the border issue should be settled on the basis of mutual understanding, accommodation and adjustment.
   Asked about tri-lateral meeting between the Foreign Ministers of Russia, China and India in Almaty, he said this was intended to promote peace, stability and development in Asia and the rest of the world. Pointing out that Russia and China had a strategic partnership, Mr. Tang noted the improvements in relations between India and Russia. "We welcome more developments in India-Russia relationship."
   On India's candidature for a permanent seat in the UN Security Council, Mr. Tang said that India was a major country in Asia with a big population. China fully understood and endorsed India's aspirations to play a major role in international affairs.
   Describing terrorism as a common enemy and "public hazard", the State Councillor said that China, too was a victim of this menace. Referring to the East Turkestan terrorists in the country's northwest, Mr. Tang maintained that China was ready to cooperate with India in fighting terrorism. He suggested that the two countries jointly study the root causes of international terrorism and measures to completely uproot the problem. Mr. Tang said, so far, this issue has not been properly addressed in India and China. Asked about the progress made by the Joint Study Group on free trade between the two countries, he said that bilateral trade was to the tune of $ 8.7 billion in the first eight months of 2004 and was likely to reach $ 10 billion by the end of the year. (On December 18 *the Straits Times* of Singapore quoting

JAPAN

259. Statements by External Affairs Minister K. Natwar Singh and Foreign Minister of Japan Ms. Yoriko Kawaguchi at a joint press interaction.

New Delhi, August 12, 2004.

Ms. Yoriko Kawaguchi: I have come to India this time to truly substantiate our Global Partnership, namely to elevate the existing relationship to a higher terrain[1].

Press Trust of India said that the India-China trade had already hit US $ 10.84 billion mark in the January – October'04 period and India has emerged among the top ten Asian trading partners of China. This meant an impressive increase of 82.5 % over the corresponding period of last year. According to some official estimates the two-say trade was now expected to hit the US $ 12 billion mark for the whole year of 2004.)

Stating that the work of the JSG was moving forward smoothly, Mr. Tang added that a new dimension had been added to the Group – it had been tasked with the job of drafting a trade cooperation programme between the two countries for the coming years commensurate with their economic potential.

To a question on the delay in delineating the Line of Actual Control, he said the agreements on peace and tranquility and confidence-building measures had "laid the ground-work" for a settlement of the India – China boundary dispute. Admitting that "several years had indeed lapsed" Mr. Tang pointed to the difficulties in settling a border dispute between sovereign nations. Such talks, he said, were "sensitive" and affected by regional and international developments as well as the situation at home.

1. On August 10,the Official spokesperson of the MEA Navtej Sarna briefing the media on the second visit of Mrs. Yoriko Kawaguchi to New Delhi (the first was in January 2003) gave the following take on bilateral relations between the two countries:

"India and Japan have close and friendly relationship and the momentum of the bilateral relations has been maintained through a series of high level visit. As you may recall, in August 2000 during the visit of Prime Minister Yoshiro Mori of Japan both countries had established what is known as "Global Partnership for the 21st century". This was reiterated during the visit of then Prime Minister Mr. Vajpayee to Japan in December 2001.The two countries have agreed to strengthen this Global Partnership, which is based on twin pillars, one of broadening and deepening the development of bilateral relations and second of meeting global challenges. Several visits have taken place recently. I can give you a few of those. From Japan we have had the Minister of Defence Mr. Shigeru Ishiba in May 2003. From the Indian side the major visits include those of the then Minister of Commerce and Industry Mr. Arun Jaitley and the then Minister of Agriculture Mr. Ajit Singh in February 2003. The then National Security Advisor Mr. Brajesh Mishra visited Japan in April 2003 and the then Minister of Disinvestment and Communication & IT Mr. Arun Shourie visited in June 2003. Foreign Office Consultations were held in October 2003. The point I am making is that the series of bilateral visits as well as institutional mechanism for consultations are in place for wide range of bilateral, regional and international issues to be discussed.

"As far as trade and economic relations are concerned the two-way trade between the two countries for 2002-03 was US $3.7 billion, of which Indian exports comprised US $1.85

I told my dear friend Minister Singh that Japan identifies India as a major power in Asia and the world for international peace, stability and prosperity around the globe.

We agreed to begin preparations for setting up a Joint Study Group (JSG) to strengthen and reinvigorate the Japan-India economic relations.

We agreed to cooperate closely on UN reform. We shared the understanding that the expansion of the membership of the Security Council, both in non-permanent and permanent seats, needs to be realized. We shared the recognition that both countries are legitimate candidates for the permanent members of the Security Council. In particular, we agreed to support each other's candidature for the permanent membership of the UN Security Council.

I am pleased to note that India has become the largest partner in Japan's ODA. I was assured that India's priorities and policy on bilateral economic relations and ODA coming from Japan has not changed. So the continuity is there. We certainly look forward to continuing our good economic relationship and cooperation with India in this regard.

Before this press interaction, I did not quite get to talk about the India-Pakistan relationship, which I hope to discuss over dinner. Here, I would

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billion and imports US $1.82 billion. This trade increased in 2003-04 to US $4. 6 billion with the two respective figures being US $1.7 billion and US $2.6 billion. Major items of Indian export to Japan are marine products, diamonds, gems and jewellery, textile products and mineral including iron ore. Major items of Japanese exports to India are machinery, metal products, chemicals and transport equipment. Cumulative Japanese Foreign Direct Investment in India till May this year was US $3.2 billion primarily in the transportation, telecommunication, fuel, chemical and electrical equipment sectors. India is the largest recipient of Japanese ODA i.e. the Official Development Assistance, which 125 billion yen in this fiscal year for eight projects, which include the Delhi Metro, Purulia Pumped Storage scheme Project and Dhauliaganga Hydro-electric project.

"Defence exchanges have been growing and the Indian Navy and the Japanese Maritime force have exchanged goodwill visits. The navies have also held joint exercises in Kochi in November last year and the fourth India - Japan Coast Guards Exercise was held in September last year in Japan. The fifth round is expected in Mumbai in October this year. Given this background, Foreign Minister Kawaguchi's visit will provide an opportunity to review our bilateral relations with Japan including steps we can take to further concretize in Global Partnership between the two countries. Naturally, this will provide an opportunity to discuss regional and international issues, which may be of interest to the two delegations and the two Ministers and we hope that these discussions will lead to further actualizing the considerable potential that exists in the relationship so that full advantage can be taken of economic complementarities and strategic convergences that exist between the two countries."

like to say that we welcome the progress which is being made between India and Pakistan.

Thank you very much.

Mr. Natwar Singh: Foreign Minister Kawaguchi and I had very productive discussions just now on a wide range of bilateral, multilateral and global issues. We will continue our discussions over the working dinner.

The main focus of our discussions has been on how to strengthen the India-Japan Global Partnership, proceeding from a strategic perspective. We have exchanged useful ideas on further development of our multi-faceted cooperation centering on broadening and deepening of bilateral relations and cooperating with each other in meeting global challenges.

We are going to step up our efforts to take our economic partnership to a higher level, taking advantage of complementarities in our economies and synergies in trade, investment and hi-tech areas, so that the full potential in this regard can be realized.

We have also agreed to enhance our dialogue and cooperation on security issues. There is a broad convergence in our long-term security concerns and objectives, and our cooperation in this area will be a positive, stabilizing factor in Asia and the world at large. Among other things, we have agreed to cooperate in protection of sea-lanes of communication.

Our Global Partnership also involves closer collaboration in contributing to solutions to issues of global concern. In this context, we had a detailed exchange of views on the need for UN reforms. We have agreed on the following approach on this important issue:

"Japan and India share the understanding that it is of great importance to enhance the effectiveness and credibility of the Security Council, particularly through expanding the membership of the Security Council, both in non-permanent and permanent seats. Japan and India, based on the firmly-shared recognition that both countries are legitimate candidates for the permanent membership of the Security Council in the light of the current realities of the international community, will support each other's candidature, and make utmost efforts and closely work together towards realizing the reform of the Security Council."

We have also agreed to institute a DG-level dialogue on UN reforms for exchange of views and coordination of positions on this key issue, and Joint Secretary (UN) in the Ministry of External Affairs, Mr. B.S. Prakash will be visiting Tokyo for the first meeting on August 23.

My colleague, Foreign Minister Kawaguchi and I also had useful exchanges on another key global challenge facing the international community, namely, the scourge of terrorism. We have agreed to set up a Joint Working Group on Counter-terrorism to promote effective cooperation between our two countries in this regard.

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260 Media briefing by Official Spokesperson on the on-going visit of the Japanese Foreign Minister.

New Delhi, August 13, 2004.

Yesterday the Japanese foreign Minister had delegation level discussions with External Affairs Minister after which there was a brief press interaction. I will just go through some of those points. Today she has met the National Security Advisor and would presently be calling on the Prime Minister.

As far as yesterday's delegation level discussions are concerned I think it is worthwhile pointing out some of the important areas of the discussions and the conclusions reached. First is the issue of expansion of the UN Security Council. Both sides agreed that Japan and India share the understanding that it is of great importance to enhance the effectiveness and credibility of the Security Council, particularly through expanding the membership of the Security Council, both in non-permanent and permanent seats. Japan and India, based on the firmly-shared recognition that both countries are legitimate candidates for the permanent membership of the Security Council in the light of the current realities of the international community, will support each other's candidature, and make utmost efforts and closely work together towards realizing the reform of the Security Council.

In pursuance of this they agreed to institute a Director General/Joint

Secretary-level dialogue on UN reforms for exchange of views and coordination of positions on this key issue and Joint Secretary (UN) in the Ministry of External Affairs, Mr. B.S. Prakash will be visiting Tokyo for the first meeting on August 23.

It was also agreed to set up a Joint Working Group on Counter-terrorism to promote effective cooperation between the two countries.

There was considerable discussion on economic issues both in yesterday's meeting as well as today's meeting. The Japanese side noted that India has become the largest partner in Japan's ODA. India assured Japan of the priorities and policies on bilateral economic relations. We welcome Japanese interest in increasing economic cooperation with India, increasing trade, increasing investment and the continuity on the issue of ODA. We reiterated that we are going to take steps to take our economic partnership to a higher level taking advantage of the complementarities in the economies as well as the synergies in trade, investment, and hi-tech areas so that full potential of the economic relationship can also be achieved. Also, the Global Partnership concept, which has been agreed to between the two countries was discussed and the necessity of further concretizing this partnership was highlighted. A part of this would be the economic engagement, sharing of views and coordination of positions on all multilateral and international issues.

The other point which the Japanese Foreign Minister mentioned in the statement, which I think is worth highlighting today, is that they agreed to make preparations for setting up a Joint Study Group (JSG) to strengthen and reinvigorate the Japan-India economic relations.

Today again when the Foreign Minister of Japan called on NSA she stated that Japan recognizes India as a major power and attached high importance to its relations with India. That Global Partnership would make significant contributions for peace, stability and prosperity of our region, other regions as well as the entire world. She was also briefed on our perspectives of foreign policy after the taking over of the new government and emphasized that India's policy towards Japan is marked by continuity. The two interlocutors also noted the broad convergence of long-term security objectives between India and Japan and existing cooperation in this regard, including in the protection of sea-lanes and counter terrorism.

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REPUBLIC OF KOREA

261. Speech by President Dr. A. P. J. Abdul Kalam at the banquet in honour of President of the Republic of Korea Roh Moo-Hyun.

New Delhi, October 5, 2004.

Your Excellency Mr. Roh Moo-Hyun,
President of the Republic of Korea
Madam Kwon Yang-Suk,
Distinguished Guests,
Excellencies,

Ladies and Gentlemen,

It gives me immense pleasure to welcome Your Excellency and your delegation to India. I am particularly happy to receive the representatives of a nation and a people with whom India has interacted since time immemorial. Buddhism has been an enduring link between our two civilisations since the 4th Century AD. In contemporary times, we empathised with each other during the colonial period. Nobel laureate Rabindranath Tagore's poem about Korea as the "Lamp of the East", published in 1929, symbolised our hope for the resurgence of Korea, which has spectacularly come true.

Excellency, your visit has a special significance for us as it takes place in the year marking the 30th anniversary of diplomatic ties between our two countries. The past thirty years have witnessed a consolidation of our traditional friendly relations. Exchanges and cooperative links in various areas such as trade, investment and culture have grown. In recent years, this friendship has developed steadily based on secure foundations of the common values of democracy and an open society and a shared desire to diversify our exchanges. I am confident your visit will help raise our relationship to a higher level, taking advantage of our economic complementarities and political convergences.

Excellency, both our countries have agreed to establish a "Long Term Cooperative Partnership for Peace and Prosperity". We are breaking new ground in expanding and enriching the political and economic content of

our bilateral relationship. We are seeking to foster greater people-to-people contacts and strengthen our exchanges in the cultural and scientific fields. We have put in place a useful architecture for a constructive dialogue and interaction on bilateral, regional and global issues of mutual interest. As two Asian democracies with commitment to human freedom and a mutual interest in peace, stability and prosperity in Asia and the world, it is important to have a regular exchange of views between us so that opportunities for mutually beneficial cooperation can be continuously identified and fully utilised. In the rapidly evolving international scene, close cooperation between our two countries will be an important factor of stability.

We, in India, admire the impressive strides made by your country in dramatically transforming itself into a prosperous State and society in such a short span of time as also the remarkable speed with which you successfully coped with the Asian economic crisis of 1997. India, too, launched an ambitious programme of reform and liberalisation in the early 1990s that has yielded impressive dividends. Over the last decade, India has emerged as one of the fastest growing economies of the world. Our business and industry has come of age in a rapidly globalising world. We are committed to carry this process forward. We are keen to engage in fruitful cooperation with other countries by further liberalising our economy and creating a better environment for growth and foreign investment.

It is important to note that our bilateral trade is picking up momentum and Korean investment in India is growing. This is just the beginning in tapping the immense potential of our synergies and complementarities. The natural, human and other intangible resources combined with the huge market of India on the one hand and Korean capital, technology and entrepreneurial skills on the other, could be harnessed for mutual benefit. Both our countries have core competencies in certain areas. Most visible amongst them is the area of Information and Communication Technology. The Republic of Korea has demonstrated to the world that it is one of the leaders in hardware. India, in its own way has become the most sought after destination for software development. It has a very large pool of highly talented software engineers. Both of us must now work towards integrating the hardware talents of the Republic of Korea and the software expertise of India.

The embedded system has both the components of software and

hardware co-existing. The embedded system will be a part of every household utility item like televisions, air-conditioners, washing machines, refrigerators, automobiles etc. This has got a large worldwide market. Using the complementary strengths of both countries, we could develop a series of embedded systems as an Indo-Korean joint product and capture the world market of at least 10 billion U.S. Dollars. India can offer training facilities in software to the Republic of Korea for joint design and development and production of software. This could cover many areas including scientific computing, information security, telecommunication, web-based software development, education and bio-informatics.

The ongoing economic reform process in India has opened up vast opportunities in many new areas of interest to foreign investors. Major Korean companies have already established a successful presence in India. We invite your companies to participate in the exciting venture of national development and resurgence of India. There is vast potential for fruitful exchanges between our two countries in the knowledge-driven economy, manufacturing, infrastructure, science and technology and other areas. We are confident this partnership will be mutually rewarding.

Excellency, we are convinced that our discussions and the agreements reached during your visit would impart a positive impetus to further developing bilateral ties into a future-oriented, cooperative partnership for peace and prosperity between India and the Republic of Korea. Excellencies, Ladies and Gentlemen, may I now invite you to join me in a toast to the :

- good health and well-being of His Excellency President Roh Moo-Hyun and Madam Kwon Yang-Suk;

- continued progress and prosperity of our two countries, the well-being of our two peoples and;

- ever-growing friendship and cooperation between our two countries and peoples.

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262. Treaty between the Republic of India and the Republic of Korea on Mutual Legal Assistance in Criminal Matters.

New Delhi, October 5, 2004.

The Republic of India and the Republic of Korea (hereinafter referred to as "the Parties"),

Recognising the need to facilitate the widest measure of mutual cooperation to combat crime, and

Desiring to improve the effectiveness of both countries in the prevention, investigation, prosecution, and suppression of crime through cooperation and mutual legal assistance in criminal matters,

Have agreed as follows:

Article 1
Scope of Application

1. The Parties shall, in accordance with the provisions of this Treaty, grant each other the widest measure of assistance in criminal matters.

2. For the purpose of this Treaty:

(a) Criminal matters mean, for India, investigations, prosecutions, or other proceedings relating to any offence created by a law of Parliament or by the legislature of a state and, for the Republic of Korea, investigations, prosecutions and proceedings relating to any offence the punishment of which, at the time of the request for assistance, falls within the jurisdiction of the Republic of Korea.

b) Criminal matters shall also include investigations, prosecutions or proceedings relating to offences concerning taxation, customs or other duties, international transfer of capital or payments, foreign exchange control, or other revenue matters.

3. Assistance shall include:

(a) taking evidence or statements from persons;

(b) providing information, documents, records and articles of evidence;

(c) locating or identifying persons or items;

(d) measures to assist in relation to the proceeds and instruments of crime, including locating, restraining, forfeiting or confiscating;

(e) serving documents;

(f) executing requests for search and seizure;

(g) making persons in custody and others available to give testimony or assist in investigations; and

(h) other forms of assistance not prohibited by the laws of the Requested Party.

4. This Treaty does not apply to:

(a) the extradition of any person;

(b) the execution in the Requested Party of criminal judgements imposed in the Requesting Party except to the extent permitted by the law of the Requested Party and this Treaty;

(c) the transfer of prisoners to serve sentences;

(d) the transfer of proceedings in criminal matters; and

(e) an offence under military law which would not be an offence under ordinary criminal law.

Article 2
Other Arrangements

This Treaty shall be without prejudice to the rights and obligations subsisting between the Parties pursuant to other international treaties or arrangements to which they both are parties.

Article 3

1. Each Party shall designate a Central Authority to make or receive requests for the purpose of this Treaty. The Central Authority for the Republic of India shall be the Ministry of Home Affairs. The Central Authority for the Republic of Korea shall be the Ministry of Justice.

2. The Central Authority shall communicate through diplomatic channels for the purpose of this Treaty.

Article 4
Refusal or Postponement of Assistance

1. Assistance shall be refused if the request seeks the restraint, forfeiture or confiscation of proceeds or instruments of an activity which, had it occurred within the jurisdiction of the Requested Party, would not have been an activity in respect of which an order of restraint, forfeiture or confiscation of proceeds or instruments could have been made;

2. Assistance may be refused if, in the opinion of the Requested Party:

(a) the request relates to a political offence, except serious offences against the life, physical integrity or freedom of any person;

(b) the execution of the request would impair its sovereignty, security, public order or other essential public interest;

(c) there are substantial grounds for believing that the request for assistance has been made for the purpose of prosecuting or punishing a person on account of that person's race, sex, religion, nationality or political opinions or that person's position may be prejudiced for any of those reasons;

(d) the request relates to the prosecution or proceedings of a person for conduct that would not, if it had taken place within the jurisdiction of the Requested Party, have constituted an offence;

(e) the execution of the request would be contrary to the domestic law of the Requested Party; or

(f) the request relates to an offence in respect of which the accused person has been finally acquitted or pardoned in the Requested Party.

3. Assistance may be postponed by the Requested Party if execution of the request would interfere with an ongoing investigation or proceedings in the Requested Party.

4. Before refusing a request or postponing its execution, the Requested

Party shall consult with the Requesting Party whether assistance may be given subject to such conditions as it deems necessary. If the Requesting Party accepts assistance subject to these conditions, it shall comply with them.

5. If the Requested Party refuses or postpones assistance, it shall inform the Requesting Party of the reasons for the refusal or postponement.

Article 5
Form and Contents of Request

1. Requests for assistance shall include:

(a) the name of the competent authority conducting the investigation or proceedings to which the request relates;

(b) the purpose of the request and a description of the assistance sought;

(c) a description of the subject matter and the nature of investigations or proceedings, including a summary of relevant facts and laws, except in cases of requests for the service of documents; and

(d) any time limit within which compliance with the request is desired.

2. Requests for assistance, to the extent necessary and possible, shall also include:

(a) information on the identity, nationality and location of any person from whom evidence is sought;

(b) information on the identity and location of a person to be served, that person's relationship to the proceeding, and the manner in which service is to be made;

(c) information on the identity and whereabouts of a person or items to be located;

(d) a description of the person or place to be searched and of the items to be seized;

(e) a description of any particular procedure or requirement to be followed in executing the request;

(f) information as to the allowances and expenses to which a person asked to appear in the Requesting Party will be entitled;

(g) the need for confidentiality and the reasons therefor; and

(h) such other information as is necessary for the proper execution of the request.

3. If the Requested Party considers that the information contained in the request is not sufficient to enable the request to be dealt with, it may request additional information.

4. A request shall be made in writing, except that the Requested Party may accept a request in another form in urgent situations. In any such situation, the request shall be confirmed in writing promptly thereafter unless the Requested Party agrees otherwise.

5. Requests by India along with supporting documents and other communications made pursuant to this Treaty shall be made in the English language accompanied by a translation thereof into the Korean language, and requests by Korea along with supporting documents and other communications made pursuant to this Treaty shall be made in the Korean language accompanied by a translation thereof into the English language.

Article 6
Execution of Requests

Requests for assistance shall be executed promptly in accordance with the law of the Requested Party and, in so far as it is not prohibited by that law, in the manner requested by the Requesting Party.

Article 7
Transmission of Documents and Objects

1. When the request for assistance concerns the transmission of records and documents, the Requested Party may transmit certified true copies thereof if transmission of the originals is not possible.

2. Insofar as it is not prohibited by the law of the Requested Party, documents, objects and records shall be transmitted in a form or accompanied by such certification as may be requested by the Requesting Party in order to make them admissible according to the law of the

Requesting Party.

3. The original records or documents and the objects transmitted to the Requesting Party shall be returned to the Requested Party as soon as possible, upon the latter's request.

Article 8
Protection of Confidentiality

The Requested Party, if so requested, shall use its best efforts to keep confidential a request, its contents, supporting documents and any action taken pursuant to the request. If the request cannot be executed without breaching the requested confidentiality, the Requested Party shall so inform the Requesting Party, which shall then determine whether the request should nevertheless be executed.

Article 9
Limitation on Use

1. The Requesting Party shall not use any information or evidence obtained under this Treaty in any investigation, prosecution or proceedings other than that described in the request without the prior consent of the Requested Party.

2. The Requesting Party, if so requested, shall keep confidential information and evidence provided by the Requested Party, except to the extent that the information and evidence is needed for the investigation and proceedings described in the request.

Article 10
Taking Testimony or Evidence in the Requested Party

1. The Requested Party shall, in conformity with its law and upon request, take testimony or otherwise obtain statements from persons or require them to produce items of evidence for transmission to the Requesting Party.

2. The Requested Party shall permit the presence of such persons as specified in the request during the execution of the request, and may allow such persons to question the person whose testimony or evidence is being taken. In the event that such direct questioning is not permitted, such persons

shall be allowed to submit questions to be asked to the persons whose testimony or evidence is being taken.

3. A person who is requested to give evidence under this Article may decline to give evidence where the law of the Requested Party permits that person not to give evidence in similar circumstances in proceedings originating in the Requested Party.

4. Where a person who is requested to give evidence in the Requested Party under this Article claims that there is a right to decline to give evidence under the laws of the Requesting Party,

(a) the Requested Party shall either:

(i) request the Requesting Party to provide a certificate as to the existence of that right; or

(ii) request the person to give proof of that right for it to be transmitted to the Requesting Party for its determination as to the existence of that right and the issuance of a certificate; and

(b) the certificate from the Requesting Party, in the absence of evidence to the contrary, shall be sufficient evidence as to the existence of that right.

Artilce11
Availability of Persons to Give Evidence or Assist in Investigation in the Requesting Party

1. The Requesting Party may request the assistance of the Requested Party in inviting a person to appear as a witness or expert in proceedings or assist in investigations. The Requesting Party shall indicate the extent to which the expenses and allowances will be paid.

2. The Requested Party shall promptly inform the Requesting Party of the person's response.

Article 12
Transfer of Persons in Custody

1. A person in custody in the Requested Party shall, at the request of the Requesting Party, be temporarily transferred to the Requesting Party

to assist in investigations or proceedings, provided that both the person and the Requested Party consent to that transfer.

2. Where the person transferred is required to be kept in custody under the laws of the Requested Party, the Requesting Party shall hold that person in custody and shall return the person in custody at the conclusion of the execution of the request.

3. Where the Requested Party advises the Requesting Party that the transferred person is no longer required to be held in custody, that person shall be set at liberty and be treated as a person referred to in Article 11.

4. For the purpose of this Article, the person transferred shall receive credit for service of the sentence imposed in the Requested Party for the time served in the custody of the Requesting Party.

Article 13
Safe Conduct

1. A person present in the Requesting Party pursuant to a request made under Article 11 or 12 shall not be prosecuted, detained or subjected to any other restriction of personal liberty in that Party for any acts or omissions which preceded that person's departure from the Requested Party, nor shall that person be obliged to give evidence in any proceeding or to assist in any investigation other than the proceeding or investigation to which the request relates.

2. Paragraph 1 of this Article shall cease to apply if a person, being free to leave, has not left the Requesting Party within a period of thirty (30) days after that person has been officially notified that that person's presence is no longer required or, having left, has voluntarily returned.

3. A person who does not consent to a request pursuant to Article 11 or 12 shall not, by reason thereof, be liable to any penalty or coercive measure by either of the Parties.

Article 14
Provision of Publicly Available and Official Documents

1. The Requested Party shall provide the Requesting Party with copies of publicly available documents, records, or information in the possession of government departments and agencies in the Requested Party.

2. The Requested Party may provide copies of any documents, records, or information which are in the possession of a government department or agency in that Party but which are not publicly available, to the same extent and under the same conditions as they would be made available to its own law enforcement or judicial authorities.

Article 15
Service of Documents

1. The Requested Party shall effect service of documents that are transmitted to it for this purpose by the Requesting Party, in so far as it is not prohibited under its domestic law.

2. A request for the service of documents requiring the appearance of a person shall be received by the Requested Party not less than forty-five (45) days before the date on which the appearance is required. In urgent cases, the Requested Party may waive this requirement.

3. The Requested Party shall forward to the Requesting Party a proof of service that shall include a description of the date, place and manner of service, and be affixed with the signature or seal of the authority which served the document. If service cannot be effected, the Requesting Party shall be so informed and advised of the reasons.

Article 16
Search and Seizure

1. The Requested Party shall, in so far as its law permits, carry out a request for search and seizure and delivery of any material to the Requesting Party, provided that the request includes information justifying such action under the laws of the Requesting Party.

2. The Requested Party shall provide such information as may be required by the Requesting Party concerning the result of any search, the place of seizure, the circumstances of seizure, and the subsequent custody of the material seized.

3. The Requested Party may require that the Requesting Party agree to terms and conditions deemed necessary to protect third party interests in the items to be transferred.

Article 17
Proceeds and Instruments of Crime

1. The Requested Party shall, upon request, endeavor to ascertain whether any proceeds and instruments of crimes are located within its jurisdiction and shall notify the Requesting Party of the results of its inquiries. In making the request, the Requesting Party shall notify the Requested Party of the basis of its belief that such proceeds and instruments may be located in its jurisdiction.

2. Where, pursuant to paragraph 1, suspected proceeds and instruments of crimes are found, the Requested Party shall take such measures as are permitted by its law to restrain, forfeit and confiscate such proceeds and instruments.

3. In the application of this Article, the rights of a bona fide third party shall be respected under the law of the Requested Party.

3. The Requested Party in control of forfeited or confiscated proceeds and instruments shall deal with those proceeds and instruments in accordance with its law. To the extent permitted by its laws and upon such terms as it deems appropriate, the Requested Party may transfer forfeited or confiscated proceeds and instruments to the Requesting Party.

Article 18
Certification and Authentication

Evidence or documents transmitted pursuant to this Treaty shall not require any form of certification or authentication, save as is specified in Article 7.

Article 19
Expenses

1. The Requested Party shall meet the cost of executing the request for assistance, except that the Requesting Party shall bear:

(a) the expenses associated with conveying any person to or from the territory of the Requested Party at the request of the Requesting Party, and any allowances or expenses payable to that person while in the Requesting Party pursuant to a request under Article 11 or 12: and

(b) the expenses and fees of experts.

2. If it becomes apparent that the execution of the request requires expenses of an extraordinary nature, the Parties shall consult to determine the terms and conditions under which the requested assistance can be provided.

Article 20
Consultation

The Parties shall consult promptly, at the request of either Party, concerning the interpretation, application or implementation of this Treaty.

Article 21
Entry into Force and Termination

1. This Treaty shall be subject to ratification. This Treaty shall enter into force on the date of the exchange of the instruments of ratification.

2. This Treaty applies to any requests presented after its entry into force even if the relevant acts or omissions occurred prior to the entry into force of this Treaty.

3. Either Party may terminate this Treaty by giving notice in writing through diplomatic channels at any time. Termination shall take effect six months after the date on which notice is given.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective Governments, have signed this Treaty.

DONE in duplicate at New Delhi on this 5th day of October 2004, in the Hindi, Korean, and English languages, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

Sd/- Sd/-
For the Republic of India For the Republic of Korea

✦ ✦ ✦ ✦ ✦

263. Treaty of Extradition between the Republic of India and the Republic of Korea.

New Delhi, October 5, 2004.

The Republic of India and the Republic of Korea (hereinafter referred to as "the Parties"),

Desiring to strengthen their bilateral relations and to make more effective their cooperation in the prevention and suppression of crime by concluding a treaty on extradition,

Have agreed as follow;

Article 1
Obligation to Extradite

Each Party agrees to extradite to the other, in accordance with the provisions of this Treaty, any person who is wanted in the Requesting Party for prosecution/trial, or imposition or enforcement of punishment for an extraditable offence.

Article 2
Extraditable Offences

1. For the purpose of this Treaty, extraditable offences are offences which, at the time of the request, are punishable under the laws of both Parties by deprivation of liberty for a period of at least one year or by a more severe penalty.

2. Where the request for extradition relates to a person sentenced to deprivation of liberty by a court of the Requesting Party for any extraditable offence, extradition shall be granted only if a period of at least six (6) months of the sentence remains to be served.

3. For the purpose of this Article, in determining whether an offence is an offence against the laws of both Parties:

(a) it shall not matter whether the laws of the Parties place the conduct constituting the offence within the same category of offence or denominate the offence by the same terminology; and

(b) the totality of the conduct alleged against the person whose extradition is sought shall be taken into account and it shall not matter whether, under the laws of the Parties, the constituent elements of the offence differ.

4. Where extradition of a person is sought for an offence against a law relating to taxation, customs duties, foreign exchange control or other revenue matters, extradition may not be refused on the grounds that the law of the Requested Party does not impose the same kind of tax or duty or does not contain a tax, duty, customs or exchange regulation of the same kind as the law of the Requesting Party.

5. Where the offence has been committed outside the territory of the Requesting Party, extradition shall be granted where the law of the Requested Party provides for the punishment of an offence committed outside its territory in similar circumstances. Where the law of the Requested Party does not so provide, the Requested Party may, in its discretion, grant extradition.

6. If the request for extradition refers to several offences each of which is punishable under the laws of both Parties, but some of which do not fulfill the other conditions set out in paragraphs I and 2 of this Article, extradition may be granted for the offences provided that the person is to be extradited for at least one extraditable offence.

Article 3
Mandatory Grounds for Refusal

Extradition shall not be granted under this Treaty in any of the following circumstances:

(a) when the Requested Party determines that the offence for which extradition is requested is a political offence or an offence connected with a political offence. Reference to a political offence shall not include the following offences:

(i) the taking or attempted taking of the life or an assault on the person of a Head of State or Head of Government or a member of his or her family;

(ii) an offence in respect of which the Parties have the obligation to extradite or submit the case to their competent authorities for

prosecution, by reason of a multilateral international treaty/ convention to which they are both parties;

(iii) murder or culpable homicide/manslaughter;

(iv) an offence, involving firearms, explosives, incendiaries, destructive devices or substances, causing death, grievous bodily harm or serious damage to property; or

(v) a conspiracy or attempt to commit, or participation in, any of the foregoing offences;

(b) when the person sought is being proceeded against or has been tried and convicted or acquitted in the territory of the Requested Party for the offence for which his extradition is requested;

(c) when the prosecution or the punishment for the offence for which extradition is requested would have been barred by lapse of time under the law of the Requested Party had the same offence been committed in the Requested Party. Acts or circumstances that would suspend the lapse of time under the law of the Requesting Party shall be given effect by the Requested Party, and in this regard the Requesting Party shall provide a written statement of the relevant provisions of its law relating to the lapse of time;

(d) when the Requested Party has well-founded reasons to suppose that the request for extradition has been presented with a view to prosecuting or punishing the person sought, by reason of race, religion, nationality, sex or political opinion, or that the person's position may be prejudiced for any of those reasons.

Article 4
Optional Grounds for Refusal

Extradition may be refused under this Treaty in any of the following circumstances:

(a) when the offence for which extradition is sought is regarded under the law of the Requested Party as having been committed in whole or in part within its territory. If extradition is refused solely on this ground, the Requested Party shall, at the request of the Requesting Party, submit the case to its authorities for prosecution. Where extradition is refused on that

ground and subsequently prosecution is not found feasible in the Requested Party for whatever reason, the Requested Party shall so inform the Requesting Party. In such circumstances, the Requesting Party may again request the extradition of that person. The Requested Party shall reconsider the request;

(b) when the person sought has been finally acquitted or convicted in a third State for the same offence for which extradition is requested and, if convicted, the sentence imposed has been fully enforced or is no longer enforceable;

(c) when, in exceptional cases, the Requested Party, while also taking into account the seriousness of the offence and the interests of the Requesting Party, deems that the extradition would be incompatible with humanitarian considerations, particularly the age or health of the person sought;

(d) when the offence for which extradition is requested is an offence under military law, which is not also an offence under ordinary criminal law.

Article 5
Postponement of Extradition

When the person sought is being proceeded against or is serving a sentence in the Requested Party for an offence other than that for which extradition is requested, the Requested Party may surrender the person sought or postpone surrender until the conclusion of the proceeding or the service of the whole or any part of the sentence imposed. The Requested Party shall inform the Requesting Party of any postponement.

Article 6
Extradition of Nationals

1. Neither of the Parties shall be bound to extradite its own nationals under this Treaty, but the Requested Party shall have the power to extradite such person if, in its discretion, it is deemed proper to do so.

2. If extradition is refused solely on the basis of the nationality of the person sought, the Requested Party shall, at the request of the Requesting Party, submit the case to its authorities for prosecution.

3. Nationality shall be determined at the time of the commission of the offence for which extradition is requested.

Article 7
Extradition Procedures and Required Documents

1. The request for extradition shall be submitted in writing through diplomatic channels.

2. The request for extradition shall be accompanied by:

(a) documents which describe the identity, and, if possible, the nationality and location of the person sought;

(b) a statement of the facts of the case;

(c) a statement of the laws describing the essential elements and the designation of the offence;

(d) a statement of the laws describing the punishment for the offence; and

(e) a statement of the laws relating to the time limit on the prosecution or the execution of punishment of the offence.

3. When the request for extradition relates to a person who is wanted for prosecution/trial, it shall be accompanied by:

(a) a copy of the warrant of arrest issued by a judge or other competent authority of the Requesting Party;

(b) information establishing that the person sought is the person to whom the warrant of arrest refers; and

(c) a statement regarding the conduct alleged to constitute the offence such as would provide reasonable ground to believe that the person sought has committed the offence for which extradition is requested.

4. When the request for extradition relates to a person tried and convicted, it shall be accompanied by:

(a) a certified copy of the judgement setting out the conviction and the sentence imposed;

(b) information establishing that the person sought is the same person who has been convicted; and

(c) a statement regarding the conduct constituting the offence for which the person was convicted.

5. The extradition request and all supporting documents to be presented pursuant to the provisions of this Treaty shall be authenticated and accompanied by a translation thereof into the English language for a request to be made to the Republic of India and into the Korean language for a request to be made to the Republic of Korea.

6. A document is authenticated for the purpose of this Treaty, if it has been signed or certified by a judge or other competent officer of the Requesting Party and sealed by the official seal of the competent authority of the Requesting Party.

Article 8
Supplementary Information

1. If the Requested Party considers at any stage that the information furnished in support of a request for extradition is not sufficient in accordance with this Treaty to enable extradition to be granted, that Party may request that supplementary information be furnished within such time as it may specify.

2. If the person whose extradition is sought is under arrest and the supplementary information furnished is not sufficient in accordance with this Treaty or is not received within the time specified, the person may be released from custody. Such release shall not preclude the Requesting Party from making a new request for the extradition of that person.

3. Where the person is released from the custody in accordance with paragraph 2, the Requested Party shall notify the Requesting Party as soon as practicable.

Article 9
Provisional Arrest

1. In case of urgency, a Party may request the provisional arrest of the person sought pending the presentation of the request for extradition. A request for provisional arrest may be transmitted through diplomatic channels or directly between the Central Bureau of Investigation of the Republic of India and the Ministry of Justice of the Republic of Korea.

2. The application for provisional arrest shall be in writing and contain:

(a) a description of the person sought, including information concerning the person's nationality;

(b) the location of the person sought, if known;

(c) a brief statement of the facts of the case, including, if possible, the time and place of the commission of the offence;

(d) a description of the laws violated;

(e) a statement of the existence of a warrant of arrest, or judgement of conviction against the person sought; and

(f) a statement that a request for extradition of the person sought will follow.

3. On receipt of such an application, the Requested Party shall take the necessary steps to secure the arrest of the person sought and the Requesting Party shall be promptly notified of the result.

4. The person arrested may be set at liberty if the Requesting Party fails to present the request for extradition, accompanied by the documents specified in Article 7, within forty-five (45) days from the date of arrest, provided that this shall not prevent the institution of proceedings with a view to extraditing the person sought if the request is subsequently received.

5. The period of the provisional arrest shall not, in any case, exceed sixty (60) days from the date of the provisional arrest.

Article 10
Simplified Extradition

When a person sought advises a court or other competent authorities of the Requested Party that he/she consents to his/her extradition, the Requested Party shall take all necessary measures to expedite the extradition to the extent permitted under its laws.

Article 11
Concurrent Requests

1. Where requests are received from two or more States for the

extradition of the same person either for the same offence or for different offences, the Requested Party shall determine to which of those States the person is to be extradited and shall notify those States of its decision.

2. In determining to which State a person is to be extradited, the Requested Party shall consider all relevant factors, including but not limited to:

(a) the nationality and the ordinary place of residence of the person sought;

(b) whether the requests were made pursuant to an applicable treaty or arrangement;

(c) the time when and the place where each offence was committed;

(d) the respective interests of the requesting States;

(e) the gravity of the offences;

(f) the nationality of the victim;

(g) the possibility of further extradition between the requesting States; and

(h) the respective dates of the requests.

Article 12
Surrender

1. The Requested Party shall, as soon as a decision on the -request for extradition has been made, communicate that decision to the Requesting Party through diplomatic channels. Reasons shall be given for any complete or partial refusal of a request for extradition.

2. The Requested Party shall surrender the person sought to the competent authorities of the Requesting Party at a location in the territory of the Requested Party acceptable to both Parties.

3. The Requesting Party shall remove the person from the territory of the Requested Party within such reasonable period as the Requested Party specifies and, if the person is not removed within that period, the Requested

Party may set that person at liberty and may refuse extradition for the same offence.

4. If circumstances beyond its control prevent a Party from surrendering or removing the person to be extradited, it shall notify the other Party, and in this case the provisions of paragraph 3 of this Article shall not apply. The two Parties shall mutually decide upon a new date of surrender or removal in accordance with the provisions of this Article.

Article 13
Surrender of Property

1. To the extent permitted under the laws of the Requested Party and subject to the rights of third parties, which shall be duly respected, all property found in the territory of the Requested Party that has been acquired as a result of the offence or may be required as evidence shall, if the Requesting Party so requests, the surrender if extradition is granted.

2. Subject to paragraph 1 of this Article, the above-mentioned property shall, if the Requesting Party to requests, be surrendered to the Requesting Party even if the extradition cannot be carried out owing to the death, disappearance or escape of the person sought.

3. Where the law of the Requested Party or the protection of rights of third parties so requires, any property so surrendered shall be returned to the Requested Party free of charge if that Party so requests.

Article 14
Rule of Speciality

1. A person extradited under this Treaty may not be detained, tried, or punished in the Requesting Party except for:

(a) the offence for which extradition has been granted or a differently denominated offence based on the same facts on which extradition was granted, provided such offence is extraditable, or is a lesser included offence;

(b) an offence committed after the extradition of the person; or

(c) an offence for which the executive authority of the Requested

Party consents to the person's detention, trial, or punishment for an offence;

For the purpose of this subparagraph:

(i) The Requested Party may require the submission of the documents called for in Article 7;

(ii) a copy of statement, if any, made by the extradited person with respect to the offence shall be submitted to the Requested Party; and

(iii) the person extradited may be detained by the Requesting Party for such period of time as the Requested Party may authorize, while the request is being processed.

2, A person extradited under this Treaty may not be extradited to a third State for an offence committed prior to his extradition unless the Requested Party consents.

3. Paragraph 1 and 2 of this Article shall not prevent the detention. Trial, or punishment of an extradited person, or the extradition of that person to a third State if:

(a) that person leaves the territory of the Requesting Party after extradition and voluntarily returns to it; or

(b) that person does not leave the territory of the Requesting Party within 45 days of the day on which that person is free to leave.

Article 15
Information of Results

The Requesting Party shall provide timely information to the Requested Party relating to the proceedings against or the imposition or enforcement of punishment upon the person extradited or the re-extradition of that person to a third State.

Article 16
Transit

1. To the extent permitted by its law, transportation of a person surrendered to one Party by a third State through the territory of the other

Party shall be authorized on request in writing made through diplomatic channels or directly between the Central Bureau of Investigation of the Republic of India and the Ministry of Justice of the Republic of Korea.

2. Authorization for transit shall not be required when air transport is to be used and no landing is scheduled in the territory of the Party of transit. If an unscheduled landing occurs in the territory of that Party, it may require the other Party to furnish a request for transit as provided in paragraph I of this Article.

Article 17
Costs

1. The Requested Party shall meet the cost of any proceedings in its jurisdiction arising out of a request for extradition.

2. The Requested Party shall bear the cost incurred in its territory in connection with the arrest and detention of the person whose extradition is sought, or the seizure and surrender of property.

3. The Requesting Party shall bear the cost incurred in removing the person whose extradition is granted from the territory of the Requested Party and the cost of transit.

Article 18
Consultation

1. The Parties shall consult, at the request of either Party, concerning the interpretation and the application of this Treaty.

2. The Ministry of External Affairs of the Republic of India and the Ministry of Justice of the Republic of Korea may consult with each other directly in connection with the processing of individual cases and in furtherance of maintaining and improving procedures for the implementation of this Treaty.

Article 19
Relations with International Conventions

This Treaty shall not affect the rights and obligations of the Parties arising from Multi-lateral international conventions/agreements to which they both are parties.

Article 20
Entry into Force and Termination

1. This Treaty is subject to ratification. It shall enter into force on the date of the exchange of the instruments of ratification.

2. This Treaty shall apply to offences committed before as well as after the date it enters into force.

3. Either Party may terminate this Treaty by giving notice in writing through diplomatic channels at any time. Termination shall take effect six (6) months after the date on which the notice is given.

IN WITNESS WHEREOF, the undersigned, being duly authorized by their respective Governments, have signed this Treaty.

DONE in duplicate at New Delhi on this 5th day of October 2004 in the Hindi, Korean and English languages, all texts being equally authentic. In case of any divergence of interpretation, the English text shall prevail.

Sd/- Sd/-
For the Republic of India **For the Republic of Korea**

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264. Joint statement issued at the end of the visit of President of the Republic of Korea Roh Moo-Hyun to India.

New Delhi, October 6, 2004.

1. H.E. Mr. Roh Moo-hyun, President of the Republic of Korea (ROK), paid a state visit to India from 4 to 6 October 2004, at the invitation of H. E. Dr. A.P.J. Abdul Kalam, President of the Republic of India. Accompanying H.E. President Roh Moo-hyun on his visit to India was a high-level delegation, including Minister of Foreign Affairs and Trade Mr. Ban Ki-moon, Minister of Commerce, Industry and Energy Mr. Lee Hee-beom, and Minister of Information and Communication Mr. Chin Dae-je, apart from leading representatives of business and industry from the Republic of Korea.

2. President Roh Moo-hyun met President Dr. A.P.J. Abdul Kalam. Vice President Mr. Bhairon Singh Shekhawat called on the President of the Republic of Korea. President Roh and Prime Minister of India Mr. Manmohan Singh held talks on a range of bilateral, international and regional issues. Chairperson of United Progressive Alliance Coordination Committee Mrs. Sonia Gandhi and External Affairs Minister Mr. K. Natwar Singh called on President Roh. The President of the Republic of Korea also delivered the keynote address at a joint FICCI-CII business meeting.

3. The wide-ranging deliberations between the two sides took place in a friendly and cordial atmosphere. Leaders of the two countries exchanged views on various aspects of bilateral relations as also on regional and international issues of mutual interest, including cooperation in international fora. They made a positive appraisal of the existing cooperation and exchanges while emphasizing the immense scope that exists for further enhancing these in diverse areas of interaction.

4. Both sides noted with satisfaction the steady development of friendly and cooperative relations between India and the ROK since the establishment of diplomatic relations in December 1973. The traditional friendship between the two countries has been developing on the strong foundations of commitment to democratic ideals and the shared desire to consolidate and diversify their exchanges. Close cooperation between India and the ROK will be a factor of stability in the politically and culturally diverse and rapidly transforming Asia.

5. The two sides resolved to take India-ROK relationship to a higher level in the 21st century. They have a mutual interest in the maintenance of peace, stability and prosperity in Asia and the world and share the desire to develop closer and more extensive understanding and cooperation in regional and international affairs. In this background, the two sides decided to establish a "Long-term Cooperative Partnership for Peace and Prosperity" with the aim of fully utilizing the substantial potential and opportunities for deepening mutually beneficial cooperation taking advantage of their economic complementarities and political convergences and also for pursuing peace and prosperity in the region and the world.

6. Both sides shared the view that high-level exchanges between governments, parliaments and political parties of the two countries play an important role in expanding overall bilateral cooperation between the two countries. They conveyed their determination to maintain the momentum of such exchanges in future and agreed on the need for regular meetings between their leaders alternately in respective capitals or elsewhere, including on the occasions of multilateral meetings, to review bilateral relations and consult on regional and international developments and issues. In this context, the two sides also reiterated the importance of the India-ROK Joint Commission co-chaired by the Foreign Ministers of the two countries and the Foreign Office Consultations. It was agreed that the third meeting of the Joint Commission will be held in Seoul at an early date. The two sides also confirmed their intention to promote regular ministerial-level exchanges, including between their Trade and Finance Ministers.

7. The two sides welcomed the establishment of the India-ROK Foreign Policy and Security Dialogue. The Dialogue will be broad-based and cover, inter alia, regional and international security issues, bilateral, defence and service-to-service exchanges and counter terrorism. It was also agreed that this dialogue will be held alternately in India and the ROK beginning from the year 2005.

8. Both sides noted the useful exchanges and interaction in the defence field and agreed to further promote such exchanges and interaction. They agreed on the need for cooperation in matters pertaining to safety and security of international maritime traffic. They also agreed to promote cooperation between their navies, coast guards and related agencies in areas like anti-piracy and search and rescue operations.

9. Both sides shared the view that broadening and deepening of economic and trade cooperation between the two countries, based on the complementarities and growth potential of the two economies, will contribute to further promoting their common prosperity. They agreed to set a target of US$ 10 billion for bilateral trade by 2008 and emphasized the need to jointly work towards achieving it.

10. They agreed to continue policy dialogues in economic and trade area with a view to developing the bilateral relations into a more comprehensive and future-oriented one. As part of such an initiative, the two sides will establish a Joint Study Group (JSG), composed of government officials, economists and representatives of business community, to take a comprehensive view of bilateral economic linkages between the two countries, covering, among others, trade in goods and services, investment flows, and other areas of economic cooperation. The JSG will, inter alia, examine the feasibility of a comprehensive economic partnership agreement between India and ROK. The JSG will give concrete suggestions on ways and means to encourage closer economic engagement between the two countries based on the result of the study. It will start its work no later than in January 2005 and submit its report within one year.

11. Both sides expressed satisfaction with the steady increase in the volume of bilateral trade and investment in recent years. The Indian side welcomed investment from the ROK into India, including in the field of infrastructure, and manufacturing plants, and hoped that the inflow of such investment will significantly expand. The ROK side also welcomed Indian investment in the ROK. Both sides agreed to make further efforts to facilitate greater participation by the ROK companies in the development of infrastructure in India, including in highway construction, ports, etc.

12. In consideration of the importance of Mumbai as an economic and trade center in India, the ROK side conveyed to the Indian side that it planned to upgrade its office in Mumbai to a Consulate General at the earliest possible date in 2005. The Indian side welcomed the decision, noting that a Consulate General in Mumbai would contribute to the enhancement of cooperation in trade and investment between the two countries.

13. Both sides agreed to further strengthen the activities of India-Korea Joint Trade Committee and India-Korea Joint Committee on Investment Promotion - two major channels of consultation between the two

governments in the fields of economy and trade. They agreed to facilitate broader and deeper economic and commercial relations, both in the public and private sectors. Both sides agreed to conclude at the earliest an Agreement on Cooperation and Mutual Assistance in Customs Matters.

14. Noting the importance of air links in facilitating bilateral cooperation, the two sides agreed to enhance their air connectivity in order to facilitate enhanced trade, tourism and people-to-people exchanges. They also agreed to explore ways and means for improved shipping links between the two sides.

15. Both sides agreed to promote cooperation in various areas including among others, information and communication technology, infrastructure, textiles, petro-chemicals, oil and gas field development including third country collaborations, automobiles, shipbuilding and agriculture. They also agreed to strengthen cooperation in the field of iron and steel manufacturing, noting in this context the proposal by a Korean company POSCO for a large scale integrated iron and steel project in the State of Orissa.

16. In particular, they agreed to place special emphasis on cooperation in the IT sector to actively develop new cooperation projects, including in third country markets, combining ROK's competitive edge in hardware with India's advanced software. They also agreed to promote personnel exchanges, visits of business delegations and closer dialogue on IT, for sharing of experiences and technical know-how. The two sides agreed to encourage the establishment of an Indian software training center in the ROK. It was also agreed to encourage greater investment by the ROK companies in the IT hardware sector in India.

17. Both sides agreed to strengthen cooperation in international fora such as the UN and the WTO, and to continue to hold consultations on issues of common interest. They agreed to work together to preserve stability and growth in the global economy, reduce disparities in incomes and standards between developed and developing countries, and to join hands in an unrelenting battle against poverty in the world. They supported an open, fair, equitable and transparent rule-based multilateral trading system and decided to work together to strengthen it. In this context, they welcomed the Decision on the Doha Work Programme of August 1, 2004 and agreed to work together to achieve the objectives enshrined in the Doha mandate in the final outcome of the negotiations.

18. Both sides recognize the similar challenges they face in their efforts to protect the environment while simultaneously achieving robust economic growth. In this context, they agreed to make concerted efforts in addressing global environmental concerns such as adaptations to climate change and biodiversity conservation, and to strengthen their consultations and cooperation on sustainable development, environmentally sound technologies and other environmental issues in relevant international fora.

19. Both sides recognized the importance of science and technology cooperation and agreed to work together to exploit the enormous potential for cooperation in this field, including in the area of high-technology. In this context, they agreed to exchange visits by science and technology missions in 2005.

20. The Indian side drew the attention of the Korean side to their successful cooperation in the launch of KITSAT III in 1999, and proposed that both sides actively explore further cooperation in the field of space. The Korean side agreed to consider the proposal.

21. Both sides noted the importance of the Treaty on Extradition and the Treaty on Mutual Legal Assistance in Criminal Matters signed during the visit, and shared the view that the entry into force of the two Treaties will lay a foundation for the strengthening of cooperation between the two countries. In the light of expanding cooperation between the two countries, both sides agreed to conclude at the earliest an agreement on exemption of visa requirement for holders of diplomatic and official passports. They also agreed to enter into discussions for further simplification of visa procedures, including on issuance of multiple entry visas for the business community. They expressed hope that these will facilitate exchanges between the two sides and strengthen their friendly relations.

22. Both sides highly appreciated the various cultural events commemorating the 30th anniversary of their diplomatic relations organized by the two countries with the assistance of each other in India and the ROK during 2003 and 2004. They also noted with pleasure that the visit of President Roh Moo-hyun is taking place in the year marking the 30th anniversary of their diplomatic relations.

23. They noted that during the India-ROK Joint Cultural Commission held in New Delhi in May 2004, the two governments have agreed to the Cultural

Exchange Programme which will be the framework for exchanges in this field until 2007. Both sides hoped that the Exchange Programme, will accelerate cultural exchanges between the two countries.

24. Both sides expressed satisfaction with recently strengthened exchanges in the areas of culture, education and films, and affirmed that mutual understanding and cultural exchanges will facilitate development of cooperation in other areas as well. Furthermore, the two sides highlighted the importance of youth exchange programmes for the long-term development of bilateral relations and agreed to expand such exchanges through bilateral consultations.

25. Both sides agreed to designate the third week of November 2004 as 'Korea Week' in India and a corresponding 'India Week' in the ROK in September/October 2005. This will help raise the visibility of one country in the other, promote mutual awareness and highlight the cultural dimension of their relationship.

26. Both sides expressed their support for the efforts of the international community for a peaceful resolution of the issues of denuclearization of the Korean Peninsula. The Indian side also expressed support for all efforts to bring about peace, stability and reconciliation on the Korean Peninsula through dialogue and welcomed the recent developments in inter-Korean relations.

27. Recognizing that the ASEAN Regional Forum (ARF) is playing a positive role in confidence-building and security cooperation in the Asia-Pacific region, the two sides agreed to closely cooperate with each other in various areas of ARF activities such as exchanging views on security situation in the Asia-Pacific region, implementing confidence building measures and discussing the future direction of the ARF. Both sides also agreed that India and the ROK, Dialogue Partners of ASEAN, will closely cooperate with it for the development of the region.

28. The two sides reiterated their commitment to continue their fight against terrorism. They agreed that the fight against terrorism has to be a comprehensive and sustained effort. The two sides reaffirmed that terrorism cannot be justified wherever, whenever and for whatever reason and is to be condemned in all its forms and manifestations. They agreed to continue their consultations for expanding cooperation in the fight against international terrorism through various international and bilateral mechanisms.

29. The two sides acknowledged the vital importance of the role of the United Nations in promoting international peace, security and development. They agreed to strengthen bilateral cooperation in international affairs and to promote their dialogue and consultations on UN related issues, including on the reform of the UN. They also shared the understanding that it is crucial to make the UN Security Council more representative and effective, including through expanding its membership. They agreed to closely work together in this regard.

30. On behalf of the Government and the people of the Republic of Korea, H.E. President Roh Moo-hyun and his delegation thanked the Government and the people of India for the warm and friendly hospitality accorded to them. President Roh Moo-hyun extended cordial invitations to President A.P.J. Abdul Kalam and Prime Minister Manmohan Singh to visit the Republic of Korea at a mutually convenient time. The Indian side accepted the invitations with appreciation. The dates of the visits will be decided through diplomatic channels.

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265. Remarks by External Affairs Minister K. Natwar Singh at the Korea-India Society.

Seoul, December 15, 2004.

India-Korea Partnership in the Changing Asian Architecture

Mr. President,

I feel privileged to speak in front of this distinguished gathering and must thank Korea-India Society to allow me to have this opportunity. I am aware of the illustrious traditions of the Society since its inception in 1966. Leaders from my country have spoken here in the past articulating their vision of India-Korea relations. It is a matter of great satisfaction for me to be present here knowing that the Society has stood in the forefront of the efforts to build bridges of friendship and understanding between our two countries, which predates our diplomatic ties. Your contributions in the steady development of our relationship and strengthening of people-to-people exchanges are praiseworthy.

If you permit, Mr. President, I would wish to present some ideas today on the India-Korea partnership in the changing Asian architecture. The topic highlights the importance we attach to Korea in our foreign policy as well as our emphasis on the role that both our countries are destined to play in the emerging prominence of Asia in the global political and economic order[1].

India's interactions with Korea date back to several centuries. Buddhism has been an enduring link between our two civilizations since the fourth century AD and our historical exchanges are replete with record of visits by respected Korean monks to India. Many of them wrote accounts of their journey to India. In contemporary times, our anti-colonial struggle was a source of inspiration to each other. Principles of non-cooperation movement crafted by Mahatma Gandhi in the 1920s became a part of the Korean nationalist movement.

Strengthening India's relationship with Korea is a matter of high priority in our government's foreign policy. This year we celebrate the thirtieth anniversary of the establishment of our diplomatic ties. It is gratifying to see the steady development of friendly and cooperative relations between our two countries over these thirty years. Our traditional friendship is developing on the strong foundations of our shared commitment to democratic ideals and the common desire to consolidate and diversify our exchanges. The

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1. India and Republic of Korea have warm and friendly relations and in recent years this relationship has steadily developed, based on shared desire to establish a long-term cooperative partnership, taking advantage of economic complementarities and political convergences. ROK is one of India's major trade and investment partners. President of ROK visited India on a state visit from October 4 – 6, 2004. During the visit both sides agreed to establish a "Long-Term Cooperative Partnership for Peace and Prosperity". The two countries have also exchanged several ministerial visits including at the level of Foreign Ministers. The inaugural ,meeting of the Joint Commission was held in Seoul in April 2002. Minister of Foreign Affairs and Trade of ROK Dr. Yoon Young-Kwan visited India in December 2003 for the second meeting of the Joint Commission.
   The visit further helped in strengthening bilateral relations. The Press Trust of India reported from Seoul on December 16 that the visit heralded a new dimension in bilateral ties. India and South Korea finalized modalities of a security dialogue and agreed to enhance defence cooperation. The report said that the first meeting of the security dialogue will be held in January next year. The sides also firmed up a MOU on defence, industry and logistics. During the visit it was also agreed to in principle to conclude an MOU on cooperation between the coastguards of the two countries. In another development the two sides also finalized an agreement for exemption of visas for diplomatic and official passport holders. Commending the Indian initiative on the vision of Asian Economic Community, Seoul agreed to take part in a workshop being convened in India in the first quarter of next year on a concept paper on this subject.

success of President Roh's visit to India two months ago was a manifestation of this. The visit was a milestone in India-Korea relations and offered an invaluable opportunity to renew our pledge to further broaden and deepen our bilateral relations to make them more comprehensive and oriented towards the future. During that visit, we decided to establish a "Long-term Cooperative Partnership for Peace and Prosperity" with the aim of fully utilizing the substantial potential and opportunities for deepening mutually beneficial cooperation by taking advantage of our economic complementarities and political convergences and also for pursuing peace and prosperity in the region. We also agreed to take India-Korea relationship to a higher level in the 21st century. Today we stand at the threshold of exciting times, which hold a bright promise for our future collaborations.

It is encouraging to note that our bilateral trade is picking up momentum and Korean investment in India is growing. This is just a beginning in tapping the immense potential of our synergies and complementarities. The natural, human and other intangible resources combined with the huge market of India on the one hand and the Korean capital, technology and entrepreneurial skills on the other, could be harnessed for mutual benefit. The decision to establish a Joint Study Group which was made during the visit of President Roh to take a comprehensive view of our bilateral economic linkages and suggest ways to seek closer economic engagement is a significant development and shows the common determination of both sides in strengthening this important aspect of our bilateral ties. We have agreed to set a target of US$ 10 billion worth of bilateral trade by 2008. With our joint effort and our strong complementarities, we should be able to reach this relatively modest target.

India has changed significantly in the last dozen years since we launched a bold agenda of economic reforms and liberalization to unleash her potential as an economic power. This has yielded impressive dividends. Over the last decade, India has emerged as one of the fastest economies of the world and today, is the fourth largest global economy in terms of purchasing power parity. We have gradually come to realize that our standing in the world would largely depend on our domestic capabilities. That is why our government is committed to pursuing a comprehensive social and economic development. Today India is on the move, on the cutting edge of economic, technological and developmental transformation of gigantic dimensions.

It is a new India, just as it is a new Korea. We admire Korea's phenomenal economic achievements and emergence as one of the leading industrial and trading powers, which have turned her into a major factor of political and economic stability of Asia.

Our respective strengths and our complementarities throw open new opportunities for collaboration as a result of the dynamic growth in both our countries. We are seeking to promote our cooperation in a wide range of areas including, to name a few, information and communication technology, infrastructure, textiles, petrochemicals, oil and gas field development including third country collaborations, automobiles, ship building and agriculture. We have also agreed to explore continued cooperation in the field of S&T including in the area of high technology and space. Our partnership is also extending to the international fora such as the UN and the WTO, where we have agreed to work together to preserve stability and growth in the global economy, reduce disparities in incomes and standards between developed and developing countries, and to join hands in an unrelenting battle against poverty in Asia and the world. Our cooperation also stands to play a positive role in Asia's security environment as we choose to cooperate with each other to fight the common enemies of terrorism, nuclear proliferation, sea piracy and transnational crimes.

Close cooperation between India and Korea stands to be an important factor of stability in the politically and culturally diverse and rapidly transforming Asia. Both our countries desire to have peace in our neighbourhood in order to focus our efforts on improving the well-being of our peoples. Developments in East Asia impinge directly on India's security. We appreciate Korea's continuing effort for peace and reconciliation of the Korean Peninsula. We hope that the Six Party talks would lead to a peaceful settlement on the nuclear crisis. The nuclear question is an important global issue and must be so treated. India is resolutely opposed to proliferation. As a responsible nuclear power, we are firmly committed to nuclear non-proliferation and will cooperate with the global community to prevent the proliferation of weapons of mass destruction.

India's foreign policy, which was articulated by our first Prime Minister Jawaharlal Nehru on the foundations of a vibrant and secular democracy, has evolved over the years addressing the challenges that have come our way, while maintaining remarkable continuity in its philosophical moorings.

Our focus on closer and wider engagement with our Asian neighbourhood is a well-established facet of our foreign policy today.

As Asia emerges as an important player on the global turf of political and economic interactions, there is a widespread realization that the vision of 21st century belonging to Asia is increasingly closer to coming true. Jawaharlal Nehru had seen this fifty-three years ago when he predicted, "Asia's emergence from colonial status is making a great difference to the balance of forces in the world. The old equilibrium has been upset and can never be restored …" He described Asia as "the mother of continents and the cradle of history's major civilizations". It is evident that with its multi-cultural, multi-ethnic character and diverse models of development, the emergence of Asia stands to add great impetus to the natural global trend towards multipolarisation and multilateralism.

The emergence of Asia is in reality the sum of the success of each of its parts and the strength of their inter-linkages. It was in this context and with this vision of an Asian century that a decade ago, our government had unveiled our "Look East" policy, which is now a vital part of our foreign policy. Needless to say, our ties with Korea are one of its most important components. More than a mere political slogan, our "Look East" policy has a strong economic rationale. It is also sustained by our commitment to democracy and pluralism and is borne out of our desire for stability and security in our region.

Let me talk of some other important payers in Asia's changing architecture. China's economic growth and increasing integration with the outside world has created many opportunities for the region. China's political and economic stability is, therefore, crucial for the region's development. We strive to develop a long-term comprehensive and cooperative partnership, without allowing our differences to define the agenda of our relationship. Today our relations with China have reached a level of maturity where we are determined to build upon our existing commonalities and identify newer areas of mutually beneficial cooperation, while striving to address our differences in a purposive and mutually acceptable manner.

India also values its relations with Japan – another important player in Asia's emerging architecture. As the second largest global economy, Japan's role in Asia's global image cannot be overestimated. We have traditionally viewed Japan in the perspective of our common Asian identity.

We share spiritual and cultural values. In the last few years, our bilateral relations with Japan have steadily progressed. The India-Japan Global Partnership launched four years ago has provided an opportunity to impart new direction and dynamism to our growing bilateral relationship. Again, economic partnership is an important dimension of our ties with Japan.

We have also consciously moved forward to reestablish our age-old ties with the countries of ASEAN. This has been duly reciprocated as the ASEAN countries also recognize the mutual advantage of a wide ranging partnership with India. Our Prime Minister was in Laos last month for the Third India-ASEAN Summit, where we had a productive discussion with a constructive forward-looking approach. Prime Minister emphasized that India's "Look East" policy had acquired considerable substance and irreversible momentum and that relations with ASEAN, based on mutual interest in shared peace and prosperity for the region, constituted an important priority in India's foreign policy. We signed an agreement on India-ASEAN Partnership for Peace, Progress and Shared Prosperity, which encapsulates our commitment for a long-term cooperative partnership based on our respective strengths and complementarities. As dialogue partners to ASEAN, India and Korea share the common emphasis that economic dynamism of Asia can be strengthened and sustained only by developing greater linkages between the nations and integration of their markets and society.

Today as we strive to add greater substance and depth to our "Look East" policy, we espouse a vision of an Asian Economic Community, which encompasses Korea, ASEAN, Japan, China and India – the five pillars which may form the initial core to drive Asia's emergence as the epicenter of global economy. The idea of the Asian Economic Community is built on the fundamental realization of the new dynamics in Asia and the existing synergy which is bringing us closer together in search of greater prosperity and is based on our common aspirations to secure a stable and peaceful environment to pursue the development objectives that would impart strength to Asia's global standing.

As Prime Minister Manmohan Singh has articulated, this community of nations would constitute an "arc of advantage" which would act as an anchor of stability and prosperity for our region and beyond and across. Such a community would be roughly the size of the European Union in

terms of income, and bigger than NAFTA in terms of trade. It would be home for half the world's population and possess foreign exchange reserves more than those of EU and NAFTA put together. We believe that we must prepare in advance to successfully embrace this idea when its time arrives. In today's global reality, where regional trading blocs are gaining strength in terms of their political and economic clout, we in Asia risk falling behind if we do not act in time. The prospects are positive as there is a broad recognition of the enormous benefits flowing from greater integration within this part of the world. How India and Korea fashion their cooperation in response to this emerging need will be a crucial factor in deciding how successful will Asia's success story be.

India and Korea seek closer cooperation against this backdrop of a new Asian dynamics, and it is evident that our interactions are not important just bilaterally. We share the responsibility to fashion our collaboration in a way that helps liberate the creative energies of the entire region and puts in place a political and economic architecture which is conducive to Asia's emergence as a pre-eminent region of stability and prosperity and which can make the 21st century the Asian century in the truest sense. We have the vision and the commitment to do so.

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266. Remarks by Minister of External Affairs K. Natwar Singh accepting Honorary Doctorate Degree Conferred by Kyung Hee University, Seoul.

Seoul, December 16, 2004.

President Dr. Byung-Mook Kim,

Ladies and Gentlemen,

Let me first express my deepest gratitude to Chancellor Dr. Young – Seek Choue and President Kim for choosing to confer this honorary doctorate degree on me. I do not know if I deserved this, but I am deeply touched by your gracious gesture.

I am fully aware that the honour you have conferred on me today is not for my personal achievement; it is in fact a testimony of the love and affection of the Korean people for India and a mark of our deep friendship.

I am distressed, though, to learn of the indisposition of Chancellor Choue. I wish him a speedy recovery. He is an old friend of India. I would be remiss of me if in my remarks I do not mention his pre-eminent standing as an educationist. His contributions to humanity and to the cause of education are manifest in the emergence of your famous Kyung Hee University, which for more than fifty years has been recognized as a center of excellence round the globe. The founding philosophy – “Creation of a civilized world” and “ Democratization of school, ideas and living” – are the core values, which recognize the freedom of the human spirit as a pre-requisite for quality education.

I am not known for my modesty, but when the decision of the conferment of the doctorate degree by this temple of learning was conveyed to me, I was both pleased and surprised. I have in my time made a modest contribution in the field of diplomacy and international relations. Your recognizing this made me feel humble and proud.

When I entered the foreign service of free India, more than fifty years ago, I did not and could not have foreseen that I would be fortunate enough to be a ringside witness and sometimes participant in momentous events both at home and abroad. Jawaharlal Nehru was Prime Minister and Foreign Minister for seventeen years. He was my idol and inspiration. I am only too

conscious that I am standing on the shoulders of a great and good man, a giant, an outstanding humanist and a statesman of exceptional vision. He laid the foundations of the Indian nation state – secular, democratic and pluralistic. He was a great liberating force and the most prominent disciple of Mahatma Gandhi. India's epic freedom struggle under the leadership of Gandhi was not dedicated to a dogma but to a purpose – what was that purpose – to free India by non-violent means.

The last fifty years are a remarkable journey of the global community in quest of peace and prosperity against all odds. During these tumultuous years, India has achieved a remarkable transformation from a young nation full of idealism to a confident democracy with significant economic strength, which is still striving to live up to the lofty ideals of the founding fathers of our Republic. Your recognition of my services today brings back a flood of memories.

It reminds me of the resurgence of a new world when the process of a de-colonization swept large parts of Asia and Africa fifty years ago. As the world became increasingly embroiled in the super power tussle for supremacy, India, under Jawaharlal Nehru imbued with the vision of a new and equitable world order, took the mantle of non-alignment which brought a new perspective to international relations cast in the mould of block rivalry of the Cold War. Panchsheel, of the Five Principles of Peaceful Co-existence, provided another alternative dedicated to peace and development of all in the post-colonial world.

The disappearance of the USSR was an event of seismic diplomatic proportions. The world has yet to come to terms with this reality. An alternative point of view has also disappeared along with the Soviet Union.

India's role in unfolding of events during the Korean independence in early 1950s has been an important chapter in our diplomatic history. It marked India's debut on the international scene as a young nation with a quest for third world solidarity and a vision of non-alignment. The recognition of our contributions by Korea and the international community represented a vindication of the strength of the idea of non-alignment.

Today, strengthening relations with Korea is a high priority of our Government. Though the diplomatic ties between our two countries are only thirty years old, we have steadily built a strong foundation of friendship

sustained by our shared values of democracy and human freedom and our recognition of each other's standing in the community of nations. The landmark visit of President Roh to India two months ago has taken this process many steps forward.

Today, there is a new India just as there is a new Korea. As two dynamic and fast growing economies with strong complementarities, there are unimaginable prospects in our cooperation and partnership. It is with this vision that during the visit of President Roh, both sides took an important decision to establish the "Long-term Cooperative Partnership for Peace and Prosperity", which embodies our shared desire to put our relationship in a future-oriented strategic perspective and raise our ties of much higher level in the new century through closer political and economic engagement.

The depth and width of our evolving partnership are not just bound within a bilateral context. As two important players in the political and economic order of the Asian region and world at large, there is an equally important regional and global dimension to our relationship. Close cooperation between India and Korea stands to be an important factor of stability in the politically and the culturally diverse and rapidly transforming Asia. Our partnership is vital in combating many of the common threats faced by the humanity today – terrorism, nuclear proliferation and poverty, to name a few.

So much for our bilateral relations. May I now place before you a few random thoughts on the predicaments the world faces . The nineteenth century strenuously believed that progress was inherent in history. Alas! The 20th century proved that progress was NOT inherent in history. Two world wars and the invention of nuclear weapons is not a sign of progress. Neither is human cloning.

We are all aware that the revolution in science and technology is opening new vistas. New frontiers are being crossed. There is no dearth of information. Knowledge is increasing. Wisdom perhaps is not. And for someone like me, whose nature is rooted in solitude, the world appears a very noisy place. Obsession with speed, thoughtless worship of hedonism leaves me both aghast and amazed.

The revolution in science and technology and the revolution in human consciousness must converge. If they do not, then, the 21st century is in for a bumpy ride.

A word or two about what has to some extent moulded my life apart from the lives and work of Gandhi and Nehru. Ancient India's value system made a deep impression on me. I may not have lived upto it, but as an ideal it greatly appealed to me.

India's value system lays great stress on art, literature, music and scholarship. Our ancient sages attached the highest importance to Vidya (learning), Tapa (religious austerities), Dana (charity or munificence), Gyana (intuitive knowledge or wisdom), Sheela (character), Guna (virtue) and Dharma (principled code of conduct). Not a negligible recipe for leading a good and truthful life. I commend these to you.

Your University represents the Republic of Letters. It has combined tradition with innovation, intellectual flexibility with moral firmness.

In conclusion, let me recall the poem – Lamp of the East – that the great Indian Poet and Nobel Laureate Rabindranath Tagore wrote in 1929:

"In the golden age of Asia
Korea was one of its lamp bearers,
And that lamp is waiting
To be lighted once again
For the illumination of the East."

Tagore's vision of Korea's resurgence spectacularly came true as Korea transformed itself from a war-ravaged country into an economic power in little over a generation.

Once again I thank you for the honour you have bestowed on me.

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267. Media briefing by Official Spokesperson on the visit of External Affairs Minister K. Natwar Singh to Republic of Korea.

New Delhi, December 16, 2004.

Official Spokesperson: Good evening. As you know, External Affairs Minister has just completed his official visit to the Republic of Korea at the invitation of Minister of Foreign Affairs and Trade of ROK, Mr. Ban Ki Moon.

They co-chaired the third meeting of India-ROK Joint Commission. During these discussions which covered a wide range of bilateral political and economic issues, a number of decisions were taken and these were formalized in a document which contains a detailed Action Plan.

The ROK Government has commended the Indian initiative on the vision of an Asian Economic Community and agreed to take part in a workshop being convened in the first quarter of 2005 to develop a concept paper on this subject.

A number of measures have been decided to enhance the economic relationship between the two countries based on mutual economic complementarities. The modalities of the Joint Study Group agreed in principle during ROK President's visit to India have been now worked out. This will be co-chaired by the Commerce Secretary of India and the Deputy Minister of Trade for ROK and hold its first meeting in New Delhi in January 2005.

The modalities of the India-ROK Security Dialogue have been finalized and this new mechanism will also be convened in January 2005.

The two sides have agreed to deepen and enhance cooperation in the defence field. The text of the MOU on Defence Industry and Logistics Cooperation has been finalized. It has also been agreed in principle to conclude an MOU on cooperation between the Coast Guards of the two countries.

An agreement on exemption of visas for diplomatic and official passport holders has been finalized, and the two sides will commence discussions at an early date on simplification of visa procedures.

A Cultural Exchange Programme for the following three years was

also signed during the Joint Commission meeting.

So, it was a very substantive visit and a number of very important decisions have been taken. I have already briefed you on trade that it has been decided to set up a target of USD 10 billion of bilateral trade by 2008.

External Affairs Minister also laid a wreath at the National Cemetery and called on the Speaker of the National Assembly and on the President of ROK.

He was conferred an Honorary Doctorate by the Kyung Hee University in recognition of his outstanding contribution in the field of diplomacy and international relations. His remarks on this occasion are available on our website.

That should give you a flavour of the entire visit.

Question: What did External Affairs Minister say on nuclear issue?

Answer: If you are referring to the newspaper report this morning and the discussion thereafter, the Prime Minister has already responded in the Parliament[1] and you would have also seen the text of his remarks. He has said that India is a nuclear power and a responsible nuclear power, and

1. In the Rajya Sabha the matter was raised by Shri Jaswant Singh, Leader of the Opposition who wanted the Prime Minister to clarify the reported remarks of EAM in South Korea made to media there. The Prime Minister replying said: "Mr. Chairman, Sir, the hon. Leader of the Opposition has raised certain issues arising out of the reported statement of my colleague, the hon. Minister of External Affairs, Shri Natwar Singh in Seoul. I too have seen newspaper coverings of the reported statements of the Minister of External Affairs, Shri Natwar Singh on India's nuclear weaponisation and related issues in Seoul. Shri Natwar Singh is returning to Delhi tomorrow with whom I will check the authenticity of the report in the newspapers. It is, however, my assessment that the reported remarks of the Minister of External Affairs must have been in the context of questions from journalists to him on the subject. What he said was not his statement of policy, and, I would like to use this opportunity to state categorically that there is no uncertainty about our nuclear policies. India is a nuclear power, and, a responsible nuclear power. And, without going into the history of issues, and, what was debated in both the Houses, I would like to say that our effort is to ensure that issues related to India's defence and strategic assets have to be decided upon on the basis of continuity and national consensus with due deliberation, and, these are issues which are best kept above partisan politics."
   On the same day (December 16) the External Affairs Minister while transiting through Singapore reaffirmed to the *Hindu* correspondent P. S. Suryanaryana based there that "the question of a regret" over India's possession of nuclear weapons "didn't arise" at all and emphasized New Delhi's "impeccable" record of non-proliferation. Commenting on the controversy over some Indian media reports that he had, while speaking to *the Korean Times* in Seoul, expressed regret over New Delhi's decision to make atomic weapons, Mr.

that its defence and strategic affairs have to be decided upon on the basis of continuity and national consensus with due deliberations.

As far as the External Affairs Minister's remarks are concerned, he acknowledged that the decision to cross the nuclear threshold was taken by the previous government in 1998. He was merely stating a fact, not expressing any disagreement or agreement with that decision.

External Affairs Minister was also drawing attention to the fact that India is not a party to the NPT which India regards as discriminatory. However, countries which have undertaken international treaty obligations should abide by their commitments.

Therefore, as is obvious from what I have said, the news report that you have seen in the morning is based on misquotation and distortion of facts and I hope that this clarifies the matter.

Question: Today's news reports were based on a Korea Times news report. Did that report also misquoted (EAM)?

Answer: I saw two news reports this morning; I saw a news report on one of the agencies and one of the national dailies. I am referring to both of those reports. If you see the report in Korea Times you will see further explanations of the remarks.

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Singh asserted that he had actually portrayed India in its strategic colours as "a responsible nuclear power" with a commitment to disarmament. He further clarified that during his stay in Seoul neither the South Korean President nor the Foreign Minister raised the issue of India's exercise of nuclear option. About his remarks to the Korean media he said: "when I was asked: 'Does India regret being a nuclear power?', I said: 'The question of a regret didn't arise. It is now out of the tube and you can't put it back. But we are committed to total nuclear disarmament.' We have not signed the NPT because it was discriminatory. But those countries which had signed the NPT must adhere to its regulations, and that included North Korea. That's all I said." Noting that he had drawn the attention of the South Korean publication to some defining aspects of India's profile as a nuclear power, Mr. Natwar Singh told Suryanarayana that he told them that "we have put a moratorium on nuclear tests and offered no-first-use" policy. He said: "I also referred to the Rajiv Gandhi Action Plan for time-bound nuclear/complete disarmament." He recalled that at the time the plan was presented, it was seen as a brave new vision of a nuclear-capable country as India then was, according to observers of the disarmament scene. Contradicting a media story that he had asked the North Koreans not to go nuclear, Mr. Singh said he had only told the South Korean paper that "it is a burning question". In his talks with the South Korean leaders he wished the six countries, now seized of the North Korean nuclear issue, "success in (their) deliberations".

MONGOLIA

268. Joint statement issued at the end of the visit of the Mongolian Prime Minister to India.

New Delhi, January 16, 2004.

At the invitation of the Prime Minister of the Republic of India H.E. Shri Atal Bihari Vajpayee, the Prime Minister of Mongolia, H.E. Mr. Nambariin Enkhbayar, accompanied by his spouse, is presently on a State visit to India from January 14-19, 2004. During his visit, in addition to his talks with the Indian leadership, Prime Minister Enkhbayar will also be visiting Varanasi, Sarnath, Bodh Gaya, Calcutta and Hyderabad. During his visit to Varanasi, the Banaras Hindu University will be conferring on the Prime Minister D. Litt. (Honouris Causa) in recognition of his contributions to cementing the ties between India and Mongolia and his role in promoting democracy and Buddhism in his country.

2. The Prime Minister of Mongolia was accorded a ceremonial welcome at the Rashtrapati Bhawan on January 15, 2004. He called on the President of the Republic of India on the same day. Their discussions covered wide range of issues of bilateral relations and recent regional and international developments of mutual interest.

3. The Prime Minister of Mongolia also called on the Vice President of the Republic of India. The Minister of External Affairs, Raksha Mantri and Minister for Communications and Information Technology called on the Prime Minister of Mongolia.

4. The two Prime Ministers had a tête-à-tête followed by official talks. During these talks both the leaders exchanged views on further development of bilateral relations, regional and international issues of mutual interest, including the threat of terrorism. An official banquet was hosted by H.E. Shri Atal Bihari Vajpayee in honour of the visiting Prime Minister H.E. Mr. N. Enkhbayar.

5. Both sides reiterated the importance that they attach to the continuing relevance of the Treaty of Friendly Relations and Cooperation between the Republic of India and Mongolia of 1994. The Treaty has served both countries

well and has provided a solid foundation for further development of bilateral relations and cooperation on regional and international relations in the years ahead. In view of the rapidly developing close and cordial ties between the two countries, the two sides agreed to elevate their relations to a new level of partnership.

6. During the visit following documents were signed:

(i) Agreement on Cooperation in the Field of Animal Health and Dairy.

(ii) Agreement for Cooperation in Space Science, Technology and Applications.

(iii) Protocol of Cooperation in the Field of Biotechnology.

Both sides agreed that the new agreements would serve to further diversify and strengthen their bilateral relations and cooperation.

7. The two countries would complete 50 years of the establishment of their diplomatic relations in December 2005. In this context, the two Prime Ministers agreed that the 50th anniversary of the establishment of diplomatic relations would be observed in a befitting manner.

8. The two sides agreed to hold regular consultations at the functional level between the National Security Councils of India and Mongolia on issues of mutual concern.

9. The two sides agreed that the Joint Committee on Co-operation at Secretary/Deputy Foreign Minister level set up by the Agreement for the Establishment of a Joint Committee on Cooperation signed in 1994 should hold its meeting as soon as possible in order to further consolidate bilateral cooperation between the two countries. It was also agreed that as necessary functional Sub-Committees as provided in the Agreement would be set up at the level of Joint Secretary/Director.

10. The Government of India agreed to extend a soft loan to Mongolia amounting to US$ 10 million. Terms and conditions of the soft loan will be worked out through diplomatic channels.

11. The two sides also agreed to hold expert level discussions to identify specific projects for cooperation in areas like human resource development

and IT, agriculture and livestock, mineral resources, hydro-carbon resources and infrastructure.

12. The Government of India agreed to undertake a pilot project for electrification of a Mongolian village using solar energy.

13. Recognizing the importance of education in the development of Mongolia and the contribution of India in this field, the Government of Mongolia requested an increase in scholarship slots to Mongolian students under the Cultural Exchange Programme and General Scholarship Schemes of the Indian Council for Cultural Relations. The Government of India agreed to increase the number of scholarship slots from 20 to 30 per year.

14. Noting that the programmes of education and training being undertaken with Indian assistance in Mongolia were both relevant and useful and in order to assist Mongolia in further development of its human resources, the Government of India agreed to enhance the total number of training slots for Mongolia under the Indian Technical and Economic Cooperation Programme.

15. The Government of Mongolia expressed its gratitude to the Government of India for setting up Atal Bihari Vajpayee Centre for Excellence in Information and Communication Technology (ABVCEICT) in Ulaanbaatar and community centres in five provinces. The Government of India agreed to the proposal to connect the five regional centres with the ABVCEICT through video conferencing to enable the Mongolian authorities to introduce a distance education programme in rural areas. Three experts would also be deputed to train local instructors.

16. Recognizing the need to strengthen their economic ties, the two sides considered the importance of setting up of joint ventures in the fields of IT, health and small and medium enterprises. These proposals would be followed up separately.

17. Both sides also agreed to organize an exclusive India Trade Exhibition in Ulaanbaatar in 2004 to promote development of commercial relations between the two countries.

18. The Mongolian side sought India's assistance in developing the

existing India-Mongolia Friendship Farm into a Model Farm with Indian inputs of experts and seeds. The Indian side agreed to provide the necessary assistance.

19. The two sides agreed to further develop and strengthen defence cooperation within the framework of the Agreement on Cooperation in Defence Matters, including training of Mongolian military officers in India.

20. Considering the ancient and historic ties between India and Mongolia, the Government of India agreed to waive the payment for the plot of land allotted to Mongolia at Bodh Gaya for construction of a Mongolian monastery. The two sides also agreed to collaborate in digitization of precious Buddhist manuscripts in Mongolia, so that this heritage of humanity could be preserved for eternity.

21. Mongolia and India recognize the importance of reforms and restructuring of the UN system including the need for expansion of the UN Security Council. Recognising India as a large democracy, an emerging economic power with significant scientific and technological advances and noting India's significant contribution to the promotion of international peace and security, Mongolia as a nation located in the same region as India and enjoying centuries old friendly ties with India, would fully support India's candidature for permanent membership of the UN Security Council, when the expansion takes place. The Government of India expressed its appreciation to the Government of Mongolia for this expression of support.

22. Following their discussions on regional and international issues, the Prime Minister of India reiterated India's support for Mongolia's Nuclear Weapon Free Status, including at the United Nations.

23. The Prime Minister of India congratulated the Prime Minister of Mongolia for successful conclusion of the 5th International Conference of New or Restored Democracies held in Ulaanbaatar in September 2003. Two sides also agreed to work closely on the follow up action on the Ulaanbaatar Declaration and the Plan of Action adopted at the Conference. In this regard, Mongolia looks forward to India's role as a member of the Friends of the Chairman Group, in order to ensure an effective follow up to the Conference.

24. Both sides reiterated their readiness to enhance their cooperation

on issues related to peace, stability, and development in the world at large and in the Asia-Pacific region in particular through enhanced interactions and exchange of views, bilaterally and in multilateral fora, including at the United Nations.

25. India and Mongolia support all efforts of the international community, including the six-party talks, for a peaceful settlement of the nuclear issue on the Korean Peninsula. They also welcome and support all efforts between the Republic of Korea and the Democratic People's Republic of Korea to bring about peace, stability, reconciliation and reunification on the Korean Peninsula.

26. Both India and Mongolia strongly condemned the menace of international terrorism and its devastating effect on democratic societies, development and on human civilization itself. The two countries affirmed that there could be no justification of terrorism: political, philosophical, ideological, religious, racial, or any other. The two sides expressed their full support for UNSC Resolution 1373 and strongly condemned States that aid, abet, and support cross-border and international terrorism or provide safe havens to terrorists. They reiterated their resolve to work towards strengthening the global consensus and legal regimes against terrorism, including early finalization of a Comprehensive Convention on International Terrorism.

27. While noting Mongolia's participation in the Iraqi reconstruction process, both sides highlighted the importance of transfer of sovereignty to the Iraqi people and the need for the international community's efforts to rebuild Iraq as a peaceful and democratic country and the important role of UN in this process.

28. India and Mongolia, as fellow members of the Non-Aligned Movement and the Group of 77, reiterated the importance of revitalising the role of the Movement. They stressed the need to develop action-oriented South-South cooperation and meaningful North-South partnership with a view to creating a more just and equitable world, free from fear and free from want.

29. The Prime Minister of India thanked the Prime Minister of Mongolia for his visit and stated that it has contributed immensely in strengthening the friendly ties between India and Mongolia and would provide a new

dynamism for their further consolidation in the twenty first century.

30. The Prime Minister of Mongolia expressed deep gratitude to the Prime Minister of the Republic of India for the warm hospitality extended to him and his delegation. He renewed earlier invitations to the President and the Prime Minister of the Republic of India to pay official visits to Mongolia at the earliest possible. Both the leaders accepted the invitations with gratitude. Dates of the visits would be finalized through the diplomatic channels.

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Africa

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269. Media briefing on the meeting of the TEAM-9 countries on Economic Cooperation.

New Delhi, March 1, 2004.

External Affairs Minister of India (Shri Yashwant Sinha) : Friends, as you are aware, this is a meeting between eight countries of West Africa and India. We call it TEAM-9, which is, eight-plus-one in one way, and also Techno-Economic Approach for Africa-India Movement - this also is the meaning of TEAM-9.

I am glad to inform you that we have eight countries from Africa with us. Burkina Faso, Chad, Cote d'Ivoire, Ivory Coast, Equatorial Guinea, Ghana, Guinea Bissau, Mali and Senegal are represented here. Burkina Faso is represented by H.E. Mr. T. Gean de Dieu Somda, Minister in Charge of Regional Cooperation. Ivory Coast is represented by H.E. Mr. Bamba Mamadou, Foreign Minister. Ghana is represented by H.E. Joseph Henry Mensas, Senior Minister. Guinea Bissau is represented by Mr. Joao Jose Silva Monterio, Foreign Minister. Senegal is represented by H.E. Mr. Cheikh Tidiane Gadio, Foreign Minister. The Foreign Minister of Mali could not arrive here this morning. He will be arriving here later today. Equatorial Guinea and Chad are represented at the official level.

We have just had our meeting. Later, after lunch we will be signing a Memorandum of Understanding between India and these eight countries of Africa. We will also be issuing a Joint Statement which we will make available to you.

I would like to say that this is a unique experiment that we are conducting in strengthening our relationship. We have excellent bilateral relationship with each one of these eight countries. But what we are trying to do through TEAM-9 is to bring these eight countries and India together so that we are not only able to promote and enhance our bilateral cooperation but also regional cooperation. Therefore, in TEAM-9 what we will be looking at is projects in each of these eight countries as well as regional projects which will transcend national boundaries.

We have had very interesting discussions. I am grateful to all my colleagues from these countries who have made a valuable contribution to the discussions today. The most important things that have emerged out of

our discussions today are two or three. One is that there is political will on the part of all our countries to take our discussion and our cooperation further. The demonstration of political will is represented by the presence of the Foreign Ministers and representatives of these countries.

The second is that we are all determined that it (cooperation) will not be confined merely to an MoU or a Joint Statement, that we will actually translate our cooperation into concrete action in the months to come. We have identified various areas where this cooperation is going to be concretized. I would like to mention for your information a few. We have talked about food security, freedom from hunger, which will mean cooperation in agriculture and water management. We have talked about health security, which will mean health services, pharmaceuticals including alternative systems of medicine. We have talked about employment opportunities or job security through the spread of industries at all levels especially agro industries, small and medium enterprise. We have talked about human resource development. We have talked about connectivity. We have talked about science and technology. Another area which has been suggested by my colleagues from Africa is energy. So, these are some of the priority areas which we will be concentrating upon as we go along.

The third and most important decision which we have taken in our meeting is to have mechanisms which will think of the specific projects and monitor their implementation. This will be a Council of Ministers supported by a Standing Committee, or a Permanent Committee, of officials, and a Joint Business Council. We recognize the role of business in promoting our cooperation and translating our ideas into practice. Therefore, we assigned the highest importance to cooperation at business-to-business level. So, the MoU, as you will see, envisages the setting up of Joint Business Council.

We have also agreed that we will continuously learn from our experience in cooperation. Therefore, we will keep improving the methodology of cooperation from time to time as we go along. The Council of Ministers will meet once a year. After this meeting, the next meeting will be in Africa. We are grateful to Guinea Bissau for having offered to host the next meeting of the Council of Ministers. The Standing Committee of Officials will meet as often as is necessary to push the projects forward. This is the picture that has emerged out of our discussions by and large. But, I would like to give the floor to my colleagues from Africa to give their statement

and how they look at it.

Foreign Minister of Senegal (Mr. Cheikh Tidiance Gadio) : Thank you very much dear colleague and thanks to all our colleagues who are here. In the pure African tradition, I should have asked the Foreign Minister or the representative of Ghana, who is a senior Minister in the Cabinet, to speak for all of us. I will ask him actually to second my statement as soon as I have said a few words - words of thanks, words of gratitude to the Government and the people of India, to the Foreign Minister, and to the State Minister, for the warm welcome we have received in India and this invitation to set a new path in the relationship between India and Africa and to have this wonderful idea of TEAM-9. The concept of "Team" itself in development is a key concept. Like your Foreign Minister just said, bilateral relationships are excellent between each one of our countries. But (we should) think of going to a higher level of cooperation by working together in this team spirit and achieve regional development in Africa with the help and friendship of India and also hopefully - and that is the way you should do business from now on - make sure that India also finds an interest and work for its technology and its private sector. That also leads me to say that this is not Government-to-Government project activity. We want it to be driven by the private sector.

I should congratulate Mr. G. Ratna Velu from India and Mr. Atepa Goudiaby from Senegal, the two private sector people who have been pushing for this. They got the right response from the political authorities. So, we are extremely hopeful, after this meeting, that this will be different, that this will yield the outcomes that we are expecting and both India and Africa will strongly benefit from the TEAM-9 spirit.

India is a model, a role model for developing countries around the world, especially in Africa. You have shown us the way that we can defeat poverty, we can defeat underdevelopment. You still have your challenges but you have joined the developed world in many important areas of science and technology, satellite communication, IT communication. Frankly, we are very proud of what you are doing, what you are achieving here and that you are refusing once again the fatality of underdevelopment. So, congratulations to you and good luck to the TEAM-9 project.

Question : You talked about excellent bilateral relations with each of these eight countries and India. But the common perception is that India has

gone to Africa whenever India has needed their votes in the United Nations. Now, for the first time a concerted effort seems to have been made to engage these eight countries of West Africa in a sustained dialogue. Can you please tell us whether the beginning which has been made will be raised to the Summit level? Secondly, will this techno-economic cooperation, which you have talked about, be also diversified and apart from trade and commerce, strategic issues also be given a look in?

External Affairs Minister of India : I do not know whether I am in a position to agree with the first part of your statement that we have looked at Africa only in terms of votes. No, that has not been our policy. We have had much deeper engagement with Africa, all parts of Africa in fact. What we are doing here today is trying to build up a completely new model of relationship. This is what I emphasized when I said that we have excellent bilateral relationship. That, of course, we have and we will continue to have, but it is this model, the concept of TEAM-9. We have not called it, for instance, a G-9. It is not a G-9, it is TEAM-9. It is the team spirit that we are, therefore, emphasizing through this model that we have evolved. The distinguished Foreign Minister of Senegal has just told you about how, over a period of time, this has been thought through and evolved. This was an idea which was discussed when His Excellency the President of Senegal was here some month sago. We have been in touch. Mr. Digvijay Singh, my colleague has visited many of these countries in West Africa. The Foreign Secretary, Mr. Shashank has visited many of these countries. We are, through this model, trying to build up a long term and sustained relationship.

I forgot to mention to you that India has expressed its readiness to commit up to 500 million US dollars for projects in these countries on a regional basis, on a bilateral basis. What we have discussed today is largely the furtherance of our relationship in the economic and social area. Take for instance human resource development, that is a social area. As far as the political issues are concerned, we have not discussed them here today.

We will let that evolve as we go along. At the moment the focus is economic cooperation and cooperation in the social field. That is how I look at it.

Question : Could you tell us why did it take such a long time for the West African countries and India to rediscover each other? Also, what do you think India can give you that a lot of other countries cannot?

Foreign Minister of Ghana: Perhaps rediscovering is the wrong word. We never lost track of each other. In my own country Ghana, there is a huge Indian community carrying on a long tradition of economic cooperation. Since Ghana became independent soon after India, we have also maintained very close diplomatic relationship. So, we are not rediscovering each other. We are taking our relationship onto a new plane, restructuring its new model, a model where the governments will be more determinedly cooperating in sharing technology especially the great success that India has achieved by building a modern knowledge-based economy overcoming tremendous handicaps that were visible all over this country at the time of independence. It is a great inspiration to all of us; it has been for years. We are here trying to build more formal institutions through which this experience, achievements, can be spread and replicated in our countries and where mutual commerce may also grow more intensively as it has done in the past. We are especially grateful to the Indian Government that at this juncture it has found it possible to commit such significant amount of resources to back this technological and economic cooperation.

Member, African Delegation : I come from a very small country, perhaps one of the smallest countries among the member-countries of TEAM-9. Why have we come together today? The world has changed. We have spent nearly four centuries where most countries had relations through Europe with each other. So, Africa would be dealing with Europe and other countries. The rapid integration that has taken place in the world has changed the political landscape and we are moving towards a multi-polar world. India is emerging as a very strong country in this new scenario. It has affirmed itself as a great economic power in the world. Earlier we talked about France-Africa Summits, or Europe -Africa Summits, or US-Africa Summits, but today things are changing. We are talking about relations between Africa and China. Now, with this new initiative of TEAM-9, it will be India with Africa.

In the 18th century, a philosopher once said that if a country wants to be free, it must be able to trade with various partners and various countries. I think that is what is important today. We have to reinvent the world. If not, we are going to be subjecting ourselves to initiatives taken by other countries. TEAM-9 is an initiative for the mutual benefit of all our countries. In 20-30 years from now, India will be one of the most populated countries in the world. This is certainly a concern. Food will definitely be a concern. How are we going to feed this population? But we must not forget that this also

puts India at the head of the world markets. Africa cannot but take into account this new world situation. Another thing that shows in this meeting is the importance that Africa will soon play in the world scenario. Today when we think of Africa, we think of disease, war and epidemics. Very soon, Africa will play an important role. We are a big market and a big partner in the world. That is the spirit that TEAM-9 reflects today.

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270. Memorandum of Understanding between the Governments of the TEAM - 9 Countries.

The Governments of Burkina Faso, Chad, Cote d'Ivoire, Equatorial Guinea, Ghana, Guinea Bissau, Mali, Senegal and India:

Conscious of the historically close and friendly bilateral relations existing among the member countries;

Recognizing that in an increasingly inter-dependent world, the objectives of peace, social justice and economic prosperity are best achieved by fostering mutual understanding, good relations and meaningful cooperation among countries;

Aware that South-South cooperation is an unique mechanism for promoting accelerated economic growth and development in view of common economic and social problems and similar solutions applicable to developing countries;

Recognizing the crucial role that such South-South cooperation can play in this era of globalization, liberalization and privatization;

Realizing the significant contribution that such cooperation can make not merely to economic growth but also for tackling socially sensitive problems and unemployment;

Appreciating that scientific and technological developments have provided new tools which have been successfully harnessed for development and can be replicated;

Noting that such cooperation is in the spirit of India's cooperation

with West Africa in particular and with the African continent in general; Having entered into this Memorandum of Understanding:

Article-1

The Governments of Burkina Faso, Chad, Cote d'Ivoire, Equatorial Guinea, Ghana, Guinea Bissau, Mali, Senegal and India agreed to set up a regional cooperation mechanism called Techno-Economic Approach for Africa-India Movement, hereinafter referred to as TEAM-9.

Article-2

The objectives of TEAM-9 are:

(a) To contribute to mutual trust, understanding and economic advancement of member countries.

(b) To accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realize their full potential through effective utilization of intellectual and physical resources.

(c) To promote and develop scientific and technological advancement among the peoples of the TEAM-9 countries through creation of a facilitating mechanism in the region for transfer of technology, know-how and knowledge management involving governments, experts and entrepreneurs.

(d) To strengthen cooperation with other developing countries.

(e) To strengthen mutual cooperation in international fora on matters of common interest.

To cooperate with regional and international organizations with similar aims and purposes.

Article-3

The Governments of TEAM-9 member countries would undertake, inter alia, the following steps:

(a) Identification and implementation of priority projects and cooperation schemes in agriculture, industry, infrastructure, science and technology, training etc., which would benefit the nine member countries through mutual

synergy and facilitate interaction at governmental, technical and economic levels.

(b) Setting up a Business Council to facilitate identification, entrepreneurship and implementation of specific projects for cooperation

Article-4

The Government of India would provide:

(a) concessional credit facilities for financial assistance for the various projects and schemes identified for implementation under TEAM-9 cooperation.

(b) access to training resources in India and facilitate deputation of Indian scientists, technologists and other experts, as deemed necessary, to the member countries of TEAM-9.

The Governments of Burkina Faso, Chad, Cote d'Ivoire, Equatorial Guinea, Ghana, Guinea Bissau, Mali, Senegal would:

(a) Encourage and assist India's participation in projects in their own countries for mutual benefit.

(b) Provide guarantees to concessional credit provided by India, including through repayment by transfer of natural resources.

Article-5

A Heads of State/Government Summit would be held regularly. The dates for the Summit would be finalised through mutual agreement.

Article-6

A Council of Ministers consisting of Foreign Minister or any other Minister, nominated by the governments of the TEAM-9 member countries shall be established with the following functions:

(a) Formulation of the policies of the TEAM-9;

(b) Review of the progress of cooperation under TEAM-9;

(c) Decision on new areas of cooperation;

(d) Expansion of membership;

(e) Establishment of additional mechanism under the TEAM-9 as deemed necessary;

(f) Decision on other matters of general interest to the TEAM-9. The Council of Ministers shall meet at least once a year. Extraordinary session of the Council may be held by agreement among the member countries.

Article-7

A Standing Committee, comprising of senior officials, one official nominated by each TEAM-9 government, shall be formed and shall have the following functions:

(a) Overall monitoring and coordination of programme of cooperation;

(b) Approval of projects and programmes;

(c) Determination of inter-sector priorities;

(d) Mobilization of regional and external resources;

(e) Identification of new areas of cooperation based on appropriate studies;

(f) Knowledge management to obtain a highest quality of commerce utilizing the available raw talent.The Standing Committee shall meet as often as deemed necessary. The Standing Committee shall submit periodic reports to the Council of Ministers and make reference to it as and when necessary for decisions on policy matters.

Article-8

This MoU may be amended, at any time, by mutual consent of all the member countries of TEAM-9.

Article-9

This MoU shall come into effect on the date of it's signature and shall remain in force for a period of five years. Thereafter, it may be extended for subsequent periods of five years at a time, by mutual agreement.

IN WITNESS WHEREOF, the following representatives duly

authorized by their respective Governments have signed this MoU.

Done at New Delhi on this First day of March in the year 2004.

On behalf of Government
of Burkina Faso

On behalf of Government
of the Republic of Chad

On behalf of Government
of the Republic of Cote d'Ivoire

On behalf of Government of
the Republic of Equatorial Guinea

On behalf of Government
of the Republic of Ghana

On behalf of Government
of the Republic of Guinea-Bissau

On behalf of Government
of the Republic of Mali

On behalf of Government
of the Republic of Senegal

On behalf of Government
of the Republic of India.

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271. Joint statement issued at the end of the Ministerial Meeting of TEAM-9 Countries.

New Delhi, March 1, 2004.

The First Ministerial Meeting of TEAM-9 countries was held in New Delhi on March 1, 2004 at Vigyan Bhawan. Eight countries in West Africa (Burkina Faso, Chad, Cote d'Ivoire, Equatorial Guinea, Ghana, Guinea Bissau, Mali, Senegal) attended the meeting.The Ministers held wide-ranging discussions in a friendly and cordial atmosphere, and exchanged views on various issues of mutual interest.

They noted with satisfaction that the close relations existing between Africa and India, which have a strong cultural and historical basis, are marked by cordiality and a deep mutual understanding as well as converging interests on major issues. All of them reiterated their desire to further strengthen the excellent cooperation and close ties between the two peoples. It was agreed that TEAM-9 is the right step in this direction. It was decided that The TEAM-9 cooperation mechanism will operate at Government, institutional and private sector levels, sharing various types of expertise,

intellectual and physical resources as well as economic opportunities for promoting welfare, growth and prosperity of the people. It would thus involve providing opportunities for education and training in crucial sectors. It would enable transfer of critical technologies.

It would imply undertaking specific projects in individual TEAM-9 countries, which would have region-wide beneficial impact in the sectors critical for employment and growth such as agriculture, small scale industries and rural development, pharmaceuticals and health care, information technology and telecommunications, transport, energy etc. The cooperation would derive synergy based on the diverse capacities, capabilities of the member countries. The Ministers agreed to undertake the following steps:

1. Identification, implementation of priority projects and corporate schemes in the sectors and to set up a Business Council for facilitating identification, entrepreneurship and implementation of specific projects.

2. The Government of India would provide concessional credit facilities of US$ 500 million for financial assistance for the various projects and schemes identified for implementation under this regional cooperation mechanism. The Government of India also offered access to training resources in India and facilitate deputation of Indian scientists, technologists and other experts.

All participants also agreed upon a decision-making structure to formulate policies of cooperation, to review progress as well as for overall monitoring and coordination.

They affirmed their commitment to making the TEAM-9 organisation a success.

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272. Third Africa Day Lecture by Foreign Secretary Shashank at the Africa Centre, Indian Council of World Affairs.

New Delhi, June 2, 2004.

H.E. Mrs. M.E. Nkoana Mashabane, High Commissioner of the Republic of South Africa; H.E. Major General Charles Dickson Ndaxu P. Namoloh, High Commissioner of the Republic of Namibia; Mr. Butshikan Singh, Deputy Director- General of ICWA; Excellencies, Ladies and Gentlemen,

I am proud and honoured to deliver the Third Africa Day Lecture here at the Indian Council of World Affairs.

India and Africa have been close, and our relations are built on strong political foundations. We have been co-travellers in the antiapartheid and anti-colonial struggle for centuries. We recognise each other's voices, and hear in the heartbeats of our peoples their hope for a life filled with greater opportunity and security.

I have had the good fortune to visit several African countries, and I have interacted closely with many people at several levels. These visits have deepened my knowledge of developments in Africa, and hence I understand African people's vision for Africa in the 21st century. India wishes to be their reliable partner in helping achieve this vision.

We see two recent developments as being of fundamental importance for Africa's future. First, with the transformation of the OAU into the African Union (AU), the African countries have embarked on the course for a stronger integration of their great continent. For us in India, it will be a privilege to interact with the African Union at all levels including the Summit level.

On the other hand, there is the New Partnership for Africa's Development (NEPAD). It has been crafted by reform-oriented African leaders who have a vision for Africa. The prospects offered by this partnership and the vast potential for sustainable progress inherent in African initiative show that there is room for other countries, such as India, to share and be part of this new dynamism.

In a knowledge society, sustainable economic and social development

rely significantly on individual and collective creativity, and thus on the freedom of the citizens. Freedom depends on the rule of law, on open democratic societies. Good governance, is therefore, one of the critical issues of today, because it holds the key to peace and economic success. It is striking how NEPAD emphasises this idea. Without forgetting the consequences of colonialism in terms of resource impoverishment and denial of intrinsic development rights, NEPAD concentrates on the problems of today and on the necessary approaches to solve them. India will lend its support in Africa's determination to take its political and social destiny in its own hands, in forging African ownership of Africa in material and intellectual terms.

Africa Day, which the African states celebrate as a joint event, is a prime symbol of African unity. Since last year's Africa Day, there have been significant developments such as the election and appointment of the African Union Commission, the adoption of a common defence and security policy, the forming of the Pan-African Parliament, and the entry into force of the protocol establishing the African Court of Human Rights. The solemn launching also took place of the Peace and Security Council of the African Union last month on Africa Day in Addis Ababa.

These important advances bear witness to enhanced activity and consensus among the member states, on which India congratulates the AU warmly. As well as these institutional successes, India is also keenly interested in the programmes that the AU will plan and adopt at its summit in Addis Ababa this July. India is, and wishes to be recognised as a genuine and true friend of Africa, one that has stood by it over the years.

The African Union, all African states, their governments and citizens know that India has stood by them as a friend and partner during the past decades. Together Africa and India look to a future that will be characterised by cooperation and friendship. Decades of partnership and of trust lie behind us, as they do before us, for a future to be jointly crafted.India's relations with the countries of Africa have been constructed on the twin pillars of peace and development. The two are mutually interdependent.

India's commitment to the peace agenda in Africa is manifest in our substantial contribution to UN peacekeeping and monitoring operations in the past. On the development front, India's approach is to strengthen South-South horizontal linkages and to promote self-reliance through transfer of

intermediate technologies appropriate to the needs of recipient countries India views South-South Cooperation as the embodiment of a new spirit, of a proven alternate cooperative approach to development.

We have also been close partners in the nonaligned movement and stood together to safeguard our freedom of option in conducting our foreign policy. That freedom still underpins our interaction with the world, whether it pertains to political, security, or economic choices.

We would like to be considered as a serious development partner for the African countries. We have so far extended about US$ 1 billion worth of technical assistance including training, deputation of experts and projects to African countries. Currently, for example, about 450 personnel from sub-Saharan Africa are receiving training in civilian and defence fields every year under the ITEC and SCMP programme. Both Africa and India have shared common views in several multilaterals such as the UN , NAM, Commonwealth, WTO, etc. to defend the interests of the developing countries.

There is a drive towards regionalism in Africa that reflects the natural urge of the African countries towards better economic and, eventually, political integration. There is also the important need to address the problem of market fragmentation. The East African Community (EAC), Southern African Development Community (SADC), Common Market of Eastern and Southern Africa (COMESA) are indicators of this trend. While these may be nascent regional groupings, their agenda and ambition can assure their long future.

As elsewhere in the world, there are considerable unexploited opportunities in Africa to promote growth through regional cooperation. Creating larger and more integrated markets, facilitating cross-border investment, and allowing the free movement of people and exchange of ideas, carries economic, as well as political benefits. Boosting South-South trade carries a dual benefit - it strengthens our local basis for generating growth and jobs, and it also gives all of us a stronger voice when urging advanced economies to reform their trade practices. We see that, step by step, Africa is constructing an architecture of institutions to promote peace, security and development on the continent.

As this meeting takes place, the world economy is showing marked

signs of recovery. There is now substantial stimulus in national economies and greater availability of resources for development initiatives. In Africa, as a whole, it is said that the average growth is likely to climb to over 5 per cent in 2004.

Indeed, NEPAD itself aims at raising growth to 7 per cent per year. This is an ambitious goal, but one which Africa has the potential to achieve. India would like to congratulate you on NEPAD, with which Africa assumes responsibility for its own transformation, renewal, and development. Partnership and peer review are integral parts of NEPAD, and, I believe, that they will foster a critical element of the development process - the ability to learn from each other. Most importantly, we understand that the leadership in Africa is getting the people of Africa, to understand, accept, and be involved in NEPAD's implementation.

We note the progress being made in its implementation, especially in priority areas of agriculture, infrastructure, environment and health and all key areas in reducing poverty, promoting social stability and improving the quality of life.

India has signed MoUs for cooperation with SADC and COMESA, and is in the process of establishing a dialogue with ECOWAS. Recently, the SADC Council of Ministers has agreed to set up an India-SADC Forum for regular political and economic dialogue between India and SADC. Similar arrangements will be worked out with other regional groupings such as COMESA and ECOWAS.

We are also hoping to have a forum for regular interaction at the Summit level with the leaders of the African Union to better integrate, structure and guide this partnership between Africa and India.

The year 2003-2004 was, indeed, a momentous year as far as evolution of relations between India and Africa was concerned. A strong impetus to the growth of this relationship was given during this period. At the political level, this year had the highest frequency of bilateral WIP exchanges. Within the last year, we were honoured to receive several Heads of States and Governments from Africa including those from Djibouti, Mauritius, Namibia, Zambia, Mozambique, Senegal, South Africa, Zanzibar, and Lesotho. More such visits are planned for future.

Our engagement with the North African region has consolidated

during the past few years. Our President visited Sudan and our Prime Minister visited Syria during 2003. In addition, ministerial delegations were received from Egypt, Tunisia, Algeria and Sudan. Bilateral political consultations were held with several countries on bilateral, regional and international issues. Joint Working Group meetings on specific issues also took place.

Our Vice President has also recently attended the celebrations in South Africa on their 10th Freedom Day, as well as to mark the inauguration of their new Presidency. President Thabo M. Mbeki became President for the second term and this is a happy development for us, considering we always had excellent relations with the ANC. Next year, South Africa will be the partner country for CII's India Engineering Trade Fair 2005.

Interaction with African leaders through meetings on the sidelines of important international gatherings such as NAM, UN and CHOGM has been strengthened. Joint Commissions are being revived/set up with sub-Saharan African countries.

Africa-India relations are now poised to enter a new and exciting phase.

Various programmes of cooperation between our countries in a wide range of areas including agriculture, health, IT, small/medium industries, show considerable promise. Many countries of Africa are now increasingly aware that Indian technology and goods are better suited for them. There is recognition that what India can offer, both in products and services, is not only very competitive but also excellent in terms of quality. We are also very pleased that there is a genuine demand for and appreciation of our experts being sent under the ITEC.

Our bilateral trade with Africa has expanded rapidly. Our exports to countries in southern Africa in 2002-2003 showed a rise of 36.55 per cent over the corresponding figure for 2001-2002. Similarly, our exports to East Africa grew by 13.97 per cent over the same period.

Regarding West Africa, a region with which India's interaction was thus far rather limited, we have started a new venture called TEAM-9. The first ministerial meeting of TEAM-9 was held recently in New Delhi. We are hopeful that this new organisation would pave the way for greater

cooperation with West Africa.The Ministry of External Affairs, along with other ministries, is in the process of devising suitable financial mechanisms, which can underpin the expansion of our economic cooperation with Africa. We are working on suitable lines of credit through EXIM Bank. As you are aware, we have pledged US$ 200 million line of credit for NEPAD. These funds are the first demonstration of India's support to the African Union. Similarly, India has recently pledged US$ 500 million for TEAM-9 countries. Another proposal is being processed to extend a line of credit of US$1500 million to combat HIV AIDS in Africa. It is gratifying to observe that both the public and the private sector in India are very happy with India's involvement with NEPAD and other regional initiatives.

Last year India offered new credit lines to a number of countries in East and South Africa. While some of these credit lines have not become fully operational, it is hoped that these credits on highly concessional terms by us will go a long way in giving a boost to our economic ties with this region.

A major new initiative undertaken by India last year was the offering of food aid to a number of African countries suffering from drought. Substantial donations of anti-HIV drugs were also made to some countries in Africa.

In spite of various constraints, India's trade with sub-Saharan African region increased from US$ 893 million in 1991-92 to US$ 4.2 billion in 2001-2002. This represents increase of over 350% in ten years. Africa is abundantly endowed with a variety of natural resources and is potentially a large market. Countries like Nigeria can emerge as important suppliers of minerals to India.

There are more than 60 Indian joint ventures operating in Africa in many sectors like banking, textiles, steel, agro processing etc. This is despite the fact that FDI inflows into Africa have shown a declining trend.

Africa's share of FDI flows to developing countries has declined from about 30 per cent in 1970 to less than 4 per cent in 2002.

Some countries in sub-Saharan Africa face shortages today, owing to low rates of growth in agriculture. The Indian experience in green revolution would be very relevant for Africa.

The Sirte Declaration by the leaders of the African Union signed recently at the Extraordinary Summit in Libya focuses entirely on agriculture and irrigation. India has already signed MoUs for cooperation in agriculture with many African countries. We can go beyond these limited assurances of cooperation. India is ready to share its experiences in these areas with African countries, whether it be in mega ventures, small extension and demonstration projects, or in terms of agricultural research. Our terrains are very similar, from lush rain fed and irrigated lands to semi-arid and desert tracts. There is much we can do together to produce food, distribute food and to export food. The area of agricultural research requires agricultural processing techniques, where both Africa and India can share their knowledge and experience.

I may as well mention our experience with self-help groups, which has been a pioneering initiative to take village development programmes to the poor and un-empowered women, which can be a very workable strategy for the African countries as well. It assigns the task of development directly in the hands of those who need it. Herein lies the benefit of sharing of best practices that have proved their efficacy in the Indian rural set up, and which can be adapted in the African countries, given our common problems in the field of agriculture and rural development.

We all recognise that for a sustainable industrial policy, the development of micro-enterprises and small and medium enterprises play a "key role". Let us work together in this area as well. It is now a well-recognised fact, that information and communication technology (ICT) play a crucial role in the promotion of social and economic development. India can contribute immensely in this sector to the multifaceted development of African countries. This has potential to provide effective tools to job creation, economic growth and poverty eradication along with giving an overall boost to the whole process of socio-economic development.

In the ambit of our exchanges, we should also look at the crucial role that our private sectors can play in economic growth and poverty reduction. This, of course, is in the broader context of sustainable development. Strong private sector cooperation can make money for both partners and, at the same time, create wealth for the society, and provide jobs and skills to our people.

These are just some areas that I have outlined. We are drafting a

fairly comprehensive document on the areas of our cooperation which we hope to submit soon for the consideration of the African Union.

In all this, I believe that this Africa Centre set up in Sapru House under the Indian Council of World Affairs in June 2002 will allow for a greater interaction between India and Africa on a sustained basis. The Government of India has launched a "Focus Africa" programme and its endeavour is to enhance and deepen engagement with Africa in the political and economic fields. Setting up of the Africa Centre in ICWA is, thus, a step forward to promote understanding and interaction with various countries in Africa. Some activities have already been initiated such as the Africa Day Lecture each year by an eminent personality.

I would like to mention that this Africa Centre has an exclusive section where a large number of books and journals on Africa are kept and a large number of scholars specialising in studies on Africa use this Centre.

In consonance with the Government's policy of having a special focus on Africa, the Indian Council of World Affairs envisions greater interaction with similar institutions in various countries in Africa. Efforts are afoot to invite dignitaries and scholars to visit India and deliver special addresses at Sapru House.You have recently celebrated Africa Day. Today we are doing it here by talking of Africa-India cooperation.

I would like to congratulate you on this anniversary on behalf of the Government and people of India and convey to you our sincere wishes for peace, security, and sustained development.

Your Excellencies, ladies and gentlemen, the vision of the African Union, of economic integration across the continent, must inspire all of us. And you may rest assured that on this path of yours, India will be a reliable partner. We will stand committed to support you with our goodwill, our expertise and whatever economic and financial resources that we can muster to help you realise your aspirations.

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273. Statement of Minister of State Rao Inderjit Singh at the Second Ministerial meeting of Asian-African Sub-Regional Organisations' Conference.

Durban, August 20, 2004.

Hon'ble Co-Chairpersons, The Foreign Ministers of South Africa and Indonesia, Hon'ble Ministers,

Heads and Representatives of Regional and Sub-Regional and International Organisations,

Other Distinguished Delegates,

Ladies and Gentlemen,

We keep saying that Africa and Asia are two continents. And, therefore, we think that we are different and divided. It is time we started saying that Asia and Africa are connected, by land, by ocean, and in spirit. It is time that we said that we are one people living on a giant Afro-Asian continent, people who have always felt the joy and the pain of the other, their hearts beating together.

How else can one explain the common hope, the enthusiasm and fervour that attended the Bandung Conference in 1955? Over the fifty years since then, much has happened. Our common struggle against colonialism, imperialism and racial oppression has succeeded. We extended support to each other in our hours of need, and this brought us success, a success crowned when the new South Africa was born, ten years ago.

We all know that only part of the battle has been won. Together, we must now resolve to win the other part: freedom from poverty, hunger, illiteracy and disease. At Bandung next year, we have to resolve to bring development, economic opportunity and social justice to all our people. New imperatives drive us to make Asia-Africa solidarity as relevant and significant today, as it was fifty years ago. The determination that stirred us then must energise us again.

The New Asian African Strategic Partnership must, therefore, be a partnership of our governments, of our parliaments, of our businesses, civil societies, and institutions. It is to be a partnership of our peoples - of our

thinkers, writers, artists, teachers and students and professionals. This is, truly, the time of our renaissance, a time when 'hope and history rhyme'.

The vision of reform-oriented African leaders has seen the emergence of the New Partnership for Africa's Development (NEPAD). Without forgetting the consequences of past colonialism in terms of resource impoverishment and denial of intrinsic development rights, NEPAD concentrates on the way ahead. It attempts to look at the problems of today and on the approaches required to solve them.

On the development front, India's approach is to promote self-reliance through South-South Cooperation. We have seen from our own experience of development that it is not always the most advanced technology that solves a problem. We need technologies that are appropriate to our people and to our specific situations.

We all know that a trained manpower holds the key to employment and wealth creation for our societies. In pursuance of this objective, we have so far extended about US$ 1 billion worth of technical assistance including training, deputation of experts and projects to African countries. Currently, we offer over 1000 training slots each year to African countries, under our technical and economic cooperation programmes. I am happy to say that there is roughly 95% utilization of these slots.

India has declared that it is ready to extend assistance of US$ 200 million for projects which fulfill the objectives of NEPAD. A line of credit of US$ 40 million has just been negotiated with Angola for a rail project from this NEPAD fund.

Apart from our offer to engage with NEPAD, India has also embarked on an initiative with eight West African countries, termed the 'Team Nine Initiative'. We are hopeful that this new association will prove an effective model for developmental cooperation, since it envisages a public-private sector partnership, and can take up both bilateral as well as sub-regional projects with the funding of $ 500 million that we have made available. We are also hoping to have a forum for regular interaction at the Summit level with the leaders of the African Union to better integrate, structure and guide this partnership between Africa and India.

We need to define a new multilateralism, one that is not hierarchical. We have to shape the multilateral order, not merely accept it as it is, then

swallow it and find that we cannot digest it. We do not have the luxury of time to wait for the world to change. We have to change it for ourselves.

All of us in Africa and Asia, some 4 billion people and over 80 countries, cannot say that we are being marginalized in the globalization process. Instead we ought to be defining it.

Le me conclude by making a practical suggestion. When we convene at Bandung 2005, we must emerge from that meeting with a concise set of principles and a very concrete plan of action. This must not only reflect the Ten Principles of Bandung 2005, but also reinforce it with ideas, initiatives and projects that will give meaning to the Declaration of Intent that we all have made.

We could set up a comprehensive database with two major sections: one that lists projects and programmes in Africa and Asia for which financial and other support is required. The other would be projects and programmes for which financial and other support is being offered or is available.

I also believe that the Asian Development Bank and the African Development Bank can evolve a mechanism to work together for the joint identification and funding of projects. Bandung 2005 should be a meeting that captures the imagination of our people and wins the unanimity of their support because it meaningfully touches their lives. Let us not end up with yet another lengthy document to weigh down the files of our respective bureaucracies. Let us have a short document that reflects the longing of Africa and Asia, and elucidates how cooperatively we will fulfill that longing.

Such a document should be given a name that will inspire us and move us to act. I propose, therefore, that we should call it The Ubuntu Charter of Bandung 2005. Ubuntu encompasses the very essence of all that we are trying to accomplish. It is in keeping with the cultural and spiritual traditions of all our countries.

In the Zulu language, I understand, that Ubuntu means, 'I am because you are'. Asia is because Africa is. Africa is because Asia is. Hence, each of us will be better off if the other is better off. I can think of no other better word to express the spirit of our cooperation and symbolize the significance of our endeavours. Ubuntu is in itself the new strategic partnership between Africa and Asia.

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274. Address by Minister of State Rao Inderjit Singh at the inauguration of International Seminar on "Emerging Trends in Indo-African Relations".

New Delhi, November 19, 2004.

India's ties with the countries of Africa have strengthened much during recent years. There are excellent relations between India and countries of Africa in various spheres: commercial, economic, political, defence, etc. African States remember with gratitude the assistance extended by India to them during their struggle against colonialism and apartheid. Gandhiji's memory is still revered in South Africa and the role played by him in organizing the struggle against apartheid is much lauded.

Reflecting the closeness of relations between India and Africa, there have been numerous high-level visits during recent years. Heads of State and Government from several countries of Africa have been to India during the last two years.

Our Vice President had visited South Africa to participate in their 10th Freedom Day in the last week of April. President of India paid a visit to Tanzania and South Africa a couple of months ago in September. During the coming weeks, Smt. Sonia Gandhi, and the Prime Minister of India would be visiting Mauritius.

It would be evident from this exchange of visits at the highest level between India and Africa that both the sides are extremely keen to further build and strengthen the relationship between them. It is a testimony to the fact that both India and Africa well realize that they have much to offer to each other and are natural partners in their common struggle against backwardness and poverty.

Our bilateral trade with Africa has expanded rapidly. Our exports to Africa stood at 2.897 billion dollars in 2001-02 and went up to 3.132 billion dollars in 2002-03, thus registering a rise of 8.14%. The rate of growth of our exports has been even faster to certain regions of Africa: for instance our exports to countries in southern Africa went up by 36.55 per cent during the same period while the corresponding figure for the countries in East Africa was only 13.97 per cent.

During the last year a number of credit lines have been extended to

the countries of this region. One may specially mention here the credit line of US$200 million extended to NEPAD. Recently we have extended credit lines to Mozambique, Kenya, Lesotho, Senegal, Angola, etc. Earlier it was decided to provide eight countries of West Africa with a credit line of 500 million dollars and this is generally known at the TEAM-9 Initiative.

I turn now to some of the highlights of our cooperation with Africa: in Mauritius we are at present building an International Convention Centre at a cost of US$15 million. Recently construction of the Cybercity was completed there and this was entirely financed through our credit line. Similarly, Rajiv Gandhi Bhawan (RGB) was also conceived and funded by our Government. There are a number of other projects under consideration for which suitable credit lines will be provided to Mauritius. We are assisting Mauritius in several areas and our excellent economic and political ties are underlined by close people-to-people contacts. It may be noted that no less than 58% of the Mauritian population is of Indian origin.

We are also cooperating closely with South Africa both bilaterally as well as within the framework of IBSA dialogue. The IBSA is looked upon as a model of cooperation in the developing world and has evoked interest and admiration among other countries. We are also considering joint ventures with South Africa in other African countries in the field of mineral extraction, oil/gas exploration, etc.

A joint forum between captains of industry belonging to India and South Africa was formed recently; it is headed by Mr. Ratan Tata, from our side while on the South African side it is headed by Mr. Patrice Motsepe, a prominent industrialist of South Africa. It is hoped that the formation of this forum will lead to increase in economic interaction between India and South Africa and especially foster establishment of joint ventures.

While addressing the Pan-African Parliament during his recent visit to South Africa, our President had declared that India would provide technical assistance and expertise for establishing fibre optic and electronic connectivity between all the countries of Africa. This is a highly ambitious project and would enable the African states to adopt modern technologies and methods of communication. It is hoped that such a linkage would give a major boost to the development of Africa in the fields of education, health and administration, etc. and they would be able to implement schemes based on e-medicine, e-governance, e-education.

During the last couple of years many countries in Africa suffered extensively from drought and food scarcity. Considering the humanitarian nature of the problem, the Government of India generously donated food aid and medicines. The total expenditure incurred by the GOI for this purpose was around 140 crores.

There is no doubt that the relations between India and Africa are at a major turning point now. There is a widespread feeling in Africa that it was India which stood by them while they were struggling to secure their independence and it is India again which is standing by them as they are now engaged in a new struggle against the legacy of the colonial era represented by poverty, backwardness and lack of infrastructure. Perhaps what Africa feels for India can best be expressed if I were to quote from a speech recently made by the Prime Minister of Mauritius in their Parliament.

> "We will never stop saying 'thank you' to India. In every difficult situation, India is there. We want to get the Information Communication Technology (ICT) sector off the ground, India is there! We have a problem to host a huge UN Conference on AIDS, India is there!"

The countries of Africa now realize that India is uniquely suited to help them to achieve rapid economic progress and overcome the challenges bequeathed by the colonial era. Whether it is the field of manpower training or supply of sophisticated equipment or procurement of consumer goods for meeting daily necessities of life there is a general consensus within the countries of Africa that what India offers them cannot be matched by any other country, whether in terms of quality or pricing.

Recent years have also witnessed another highly significant development marking the beginning of a new relationship between India and Africa. There is increasing Indian investment in Africa in various fields. The ONGC had recently acquired a sizeable equity stake in the Sudanese oil sector and would be involved in a major way in exploration and production of oil in that country. We will be vigorously exploring the possibility of entering into similar deals with other oil producing countries in Africa which should prove of immense benefit both to the country concerned as well as to India.

In the field of manpower training under ITEC and similar schemes, India has been providing training in a wide range of fields to countries of

Africa since the early 60s. It is a tribute to the high quality of training, which is imparted under ITEC that there is a lot of competition for being selected for the courses being offered under its aegis. Keeping in view the overriding need for Africa of trained manpower, the Government of India has over the years greatly expanded the scope of ITEC courses and the number of seats allotted to Africa has shown a steady increase.

It needs to be mentioned here that recent years have also witnessed growing defence cooperation between India and the countries of Africa. Indian Air Force recently carried out joint air maneuvers with the South African Air Force. They also performed aerobatics in Mauritius which were witnessed by what has been described as the largest gathering of people ever to converge at one place in Mauritius. Our naval ships regularly make port calls in various countries in Africa. Small teams of our army personnel are engaged in providing training to defence forces in Lesotho and Botswana which is well appreciated in these countries. There is a steady demand for seats in our defence institutions for personnel from these countries. We look upon growing defence cooperation with countries of Africa as an important facet of our bilateral cooperation.

I wish to add a few words regarding our participation in various peacekeeping operations in Africa, and the sterling role played by our defence forces in various countries on that continent such as Burundi, Ivory Coast, DRC, etc. which had been suffering from civil war and ethnic violence. A large contingent from the Indian army forms part of the UN Force which is keeping the peace between Eritrea and Ethiopia. The present commander of this force (UNMEE - United Nations Mission in Ethiopia and Eritrea) is a senior army officer from India. African countries appreciate the vital contribution which India is thus making to the restoration of stability and peace in various parts of this continent. Our defence personnel participating in these operations have distinguished themselves by their professionalism as well as by their humane approach, thus demonstrating to the common man in Africa that we are genuinely concerned about the problems being faced by their peoples.

There is universal recognition in Africa that India has now become a major power in every sense of the word. This is why India's candidature for a permanent seat in the UN Security Council has been enthusiastically endorsed by most countries of Africa.

Finally turning to the Indian communities in various African countries, we find that they have in recent years proved themselves as a valuable bridge strengthening the relationship between India and their respective country of residence. These communities mostly consist of PIOs whose great grandfathers had migrated to Africa from India in the 19th century. In most African countries, members of the Indian community are generally engaged in trade and they usually account for a large percentage of the retail trade in the country concerned. The earlier image of a greedy and rapacious Indian trader who exploited the local people and reaped huge profits has now almost become a thing of the past. It also needs to be noted that members of the Indian community in Africa have started to invest in local industries and they thus have been proving that their links and attachment, first and foremost, is with the country of their residence in Africa. It is also gratifying that many members of the Indian community have become members of Parliament in different African States. One can safely say that the Indian Diaspora in Africa has finally come of age and while retaining their Indian culture and identity, it has managed to merge itself with the mainstream society in Africa, in a most harmonious manner.

As we look to the future there is no doubt that immense vistas unfold before us presenting vast opportunities for cooperation. Indian technology and capital aided by its skilled manpower are going to help Africa exploit its vast natural resources, in a manner that will be beneficial both to Africa as well as to the Indian nation.

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BURKINA FASO

275. Joint statement issued during the visit of the Minister of Foreign Affairs and Regional Cooperation of Burkina Faso.

New Delhi, July 24, 2004.

1. At the invitation of the External Affairs Minister of India, H.E. Shri K. Natwar Singh, the Minister of Foreign Affairs and Regional Cooperation of Burkina Faso H.E. Mr. Youssuf Ouedgraogo, visited India from October 22-26, 2004.

2. Wide-ranging discussions were held in a friendly and cordial atmosphere and both sides exchanged views on various bilateral, regional and international issues of mutual interest.

3. The Burkina Faso Foreign Minister and Regional cooperation carried a message of friendship from the President of Burkina Faso H.E. Blaise Compaore, addressed to the Prime Minister of India H. E. Dr. Manmohan Singh.

4. Both sides noted with satisfaction that cordiality and a deep mutual understanding as well as converging interests on major current international issues mark the close relations existing between Burkina Faso and India, which have a strong cultural and historical basis. Both sides reiterated their desire to further strengthen the excellent cooperation and close ties between the two peoples.

5. Both sides agreed that friendly contacts and direct exchanges between Ministries, Parliamentary institutions and political parties of the two countries should be further enhanced.

6. The two sides agreed to fully utilize the substantial potential and opportunities for deepening mutually beneficial cooperation, to promote the socio-economic development and prosperity of the two countries. In this connection, both sides recognized that considerable potential exists for India to undertake mutually beneficial cooperation with Burkina Faso in various sectors.

7. Given India's varied experience in high technology and industrial

areas, India could, in a spirit of South-South cooperation, share expertise in priority areas identified by Burkina Faso with a view to consolidating and intensifying the current programme of cooperation in the areas of economic, commercial and human resource development.

8. To that end, the Indian side agreed to extend the scope of ongoing cooperation under the Indian Technical & Economic Cooperation Programme. Possibility of deputing Indian ITEC experts in key sectors identified by Burkina Faso would also be considered.

9. Both sides agreed to give priority to consolidation of cooperation in all agreed fields and to organize the second meeting of the Joint Commission in Burkina Faso, soon.

10. Both sides agreed to strengthen their cooperation in the field of transport and communication. The Indian side specifically expressed interest in road, ports and railway construction projects in Burkina Faso.

11. Both sides emphasized the need for creating better awareness of each other's strengths within the private sector of the two countries. It was, therefore, agreed to exchange commercial missions and to participate in trade fairs organized in the two countries.

12. India welcomed the important role played by Burkina Faso in Africa, particularly within Organizations like West African Monetary Union (WAEMU), Economic Community of West African States (ECOWAS), and the African Union. In that connection, the Indian side reiterated its support to New Economic Partnership for Africa Development (NEPAD), for which India has announced a line of credit worth US$200 million. In its turn, welcomed the important role played by India on the international political scene as well as its willingness to establish closer relations with West Africa States.

13. The two sides decided to support the institutionalisation of Team-9, a Techno-Economic Cooperation project between India and Africa.

14. Both sides reaffirmed their commitment to promote the formation of an equitable multi-polar world order based on the equality of states, principles of rule of law, territorial integrity and non-interference in the domestic affairs of States with a view to removing threats to stability and

international security.

15. The two parties expressed their determination to pursue contacts initiated to ensure that the basic concerns of developing countries are taken into account in future multilateral trade talks at WTO level, particularly those relative to agricultural subsidies and market access.

16. The two parties expressed their grave concern about the expansion of international terrorism, religious intolerance, international crime, drug and arms trafficking. They considered this wave of violence as a threat to the sovereignty of States, development, stability as well as to international peace and security. They condemned terrorism in all its forms and manifestations, regardless of its authors and motivations. In this regard, the two parties stressed the importance of the strict, total and unconditional implementation of United Nations Security Council Resolution 1373 of 28 September 2001. They stressed the need to strengthen the international legal system to fight against terrorism by finalizing and adopting the draft Comprehensive Convention on International Terrorism at the soonest.

17. Burkina Faso Foreign Minister visited Mahindra & Mahindra factory in Mumbai on 23 July 2004 before arriving at New Delhi.

18. The Minister of Foreign Affairs and Regional Cooperation of Burkina Faso H.E. Mr. Youssuf Ouedgraogo extended an invitation to External Affairs Minister of India, H.E. Shri K. Natwar Singh to visit Burkina Faso at an early date. It was also decided to hold the next meeting of the Joint Commission at the earliest. The invitations were accepted with pleasure. The dates of the visits would be finalized through diplomatic channels.

19. On behalf of the Government of Burkina Faso, H.E. Mr. Youssuf Ouedgraogo expressed sincere thanks to the Government of the Republic of India for all the hospitality extended to him and his delegation and the excellent arrangements made for their visit to and their stay in India.

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MAURITIUS

276. Opening remarks by External Affairs Minister Yashwant Sinha at the 9th meeting of India - Mauritius Joint Commission.

New Delhi, January 8, 2004.

Your Excellency, Mr. Jaya Krishna Cuttaree, distinguished members of the Mauritian delegation and friends,

I extend a warm welcome to you and your delegation and I hope your stay would be pleasant and our deliberations fruitful.

2. The Ninth session of the Indo-Mauritian Joint Commission is meeting after a hiatus of seven years. During my visit to Mauritius in July last year, we had taken the important decision of upgrading the JCM so that it could be co-chaired at the level of Foreign Ministers of two countries. This is an important development in our bilateral relations. Over the years, we have been able to foster a privileged and close relationship based on historical and cultural ties. We share a common commitment to the ideals of peace, non-violence and democracy. Both our countries pride themselves in being multi-ethnic, multi-religious, multi-cultural societies based on the principles of democracy, socialism and the rule of law. Mauritius has always been supportive of our concerns both in the global and regional context. Our relations are underpinned by close coordination and understanding on all global and bilateral issues. In this background, the upgradation of the Joint Commission and its regular meetings will provide added momentum to our unique partnership.

3. We have been able to cement the close ties through frequent high-level political exchanges. The recent successful visit of your Prime Minister, Mr. Paul Raymond Berenger has served to further consolidate our cooperation, which encompasses diverse areas such as cultural, educational, scientific, technical, defense and commercial. The setting up of a number of Joint Working Groups in these areas would enable us to move forward on the decisions that were taken during the high level exchanges. I am glad to know that the Joint Working Groups in some areas such as science and technology have already commenced deliberations and that many other JWGs are in the advanced stages of finalisation.

4. Our bilateral relations are extensive and our cooperation is intensive. We are working to implement a number of bilateral projects discussed at different levels in the past. We are happy that the Cyber City, which is a manifestation of the new face of our bilateral cooperation, is nearing completion. It is an important project in establishing our strategic partnership in high technology. We are also happy to assist you in the establishment of an International Convention Centre in Mauritius and I hope that the Mauritian government will expeditiously complete all the work connected with the conclusion of the contract so that we could move ahead at our end. The recently concluded agreement on the establishment of the World Hindi Secretariat in Mauritius will further strengthen our cultural ties.

5. In the domain of Science & Technology, we have commenced work on Bio-informatics institute in Mauritius which would enable both sides to take advantage of the rich bio-diversity resources in both countries, and to assist in research related to diabetes and bio-technology including food technology. In the area of Oceanography, we need to intensify our cooperation, which could include hydrographic studies, exploration of hydrocarbon resources and generation of ocean thermal power. Our National Institute of Oceanography has already commenced discussions with its counterpart in Mauritius. Recently, we have proposed that our Navy should also be involved since it has a great deal of expertise in conducting hydrographic surveys.

6. Our excellent bilateral relations are not matched by an equal expansion of economic and commercial relationship. Our bilateral trade in the past three years has been almost static hovering around US $ 185 million. We firmly believe that there is tremendous potential to increase bilateral trade in all sectors. During the visit of Hon. PM Berenger to India, he extended an invitation to Indian businessmen to use Mauritius as a gateway to jointly enter Southern African markets. In this context, the Joint Study Group which we have decided to set up to explore the proposal for concluding a Comprehensive Economic Cooperation Agreement should complete its task expeditiously. I am happy that the first meeting of this Joint Study Group was held on the sidelines of the Joint Commission. We should also examine appropriate joint ventures in Mauritius with potential for exports to India. Our Joint Council needs to identify new ways of expanding trade. Many Indian companies are desirous of participating in various projects in Mauritius through competitive bidding. The participation

of Indian companies should not be limited to only those that are financed by grants and credits from India. As long as they submit competitive bids, the Indian companies should be facilitated to obtain these contracts in the true spirit of our friendly relations. We also need to create conducive atmosphere to facilitate trade and flow of investment between our countries by adopting liberal visa regime and creating favourable conditions for Indian companies to set up operations in Mauritius.

7. We have recently received your proposal for Indian assistance for the construction of a new Supreme Court building in Mauritius. We would favourably consider extending fresh credit lines on concessional terms. Similarly, we will be happy to work on other infrastructural projects such as Sewerage project at Baie Du Tombeau and to associate ourselves with the grand project of light rail transit system.

8. We also need to increase our cooperation in the area of Security. We are partners in the international coalition against terror and are now working towards bilateral mechanism to combat terrorism. We need to speed up the setting up of the Joint Working Group on Terrorism. We are also cooperating against drug trafficking. In this context, I would like to emphasise the importance of early conclusion of the Mutual Legal Assistance Treaty, which I believe is in the final stage of completion.

9. I hope the meeting of the JCM will invest our relations with greater focus and will lead to regular interaction between us at different levels to take our relations forward in all spheres. Thank You.

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NIGERIA

277. Press release of the Ministry of External Affairs on the transit visit of President Olusegun Obasanjo of Nigeria.

New Delhi, November 3, 2004.

President Olusegun Obasanjo of the Federal Republic of Nigeria left for Nigeria this afternoon after stopping over in New Delhi for a night.

He arrived from Tokyo on 2nd November 2004 where he delivered a keynote address at the Tokyo International Conference for African Development. He was accompanied by Mr. Olu Adeniji, Minister of Foreign Affairs, Mrs. Ngozi Okonjo Iweala, Minister of Finance, Mr. Adamu Adris Waziri, Minister of Commerce of Nigeria and Dr. (Mrs.) Nagia Mohammed Assayed, Commissioner for Human Resources, Science and Technology of the African Union Commission.

President Obasanjo met Prime Minister, Dr. Manmohan Singh, in the morning of 3rd November along with his Ministers. He congratulated the Prime Minister for conducting Parliamentary elections successfully and said he has been closely watching political process of India since his days in Defence Services Staff College in Wellington. He appreciated Indian Government's help given to Nigerian Machine Tools. He had wide ranging discussions with Prime Minister such as reform of the United Nations Security Council, African Union and peace & security in Africa.

He appreciated India's initiative under NEPAD for which India has agreed to give US$ 200 million to African countries.

He said that India is a natural candidate for the Permanent Membership of UN Security Council.

President Obasanjo assured that Nigeria will provide more crude oil directly to India and also invited Indian companies to participate in bids for oil exploration and production. He has also invited Indian companies to participate in power generation and LPG.

Prime Minister was assisted by the External Affairs Minister, Shri K. Natwar Singh, National Security Advisor, Shri J.N. Dixit, Smt. Shashi U

Tripathi, Secretary (West), Secretary (Petroleum), Shri S.C. Tripathi and Shri S.N. Menon, Commerce Secretary. The External Affairs Minister, Shri K. Natwar Singh, called on President Obasanjo last evening. Smt. Sonia Gandhi, Chairperson of United Progressive Alliance, also met with President Obasanjo today.

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SENEGAL

278. Joint Statement issued during the visit of Dr. Cheikh Tidiane Gadio, Senior Minister, Minister for Foreign Affairs of the Republic of Senegal to India.

September 8-11, 2004.

1. At the invitation of the Minister for External Affairs of the Republic of India, H.E. Mr. Natwar Singh, the Senior Minister, Minister for Foreign Affairs of the Republic of Senegal, H.E. Dr. Cheikh Tidiane Gadio paid an official visit to India from September 8-11, 2004.

2. During his visit, H.E. Dr. Cheikh Tidiane Gadio had a working meeting with his Indian counterpart, H.E. Mr. Natwar Singh, where wide-ranging discussions were held in a friendly and cordial atmosphere and both sides exchanged views on various bilateral, regional and international issues of mutual interest.

3. H.E. Dr. Cheikh Tidiane Gadio also met the Minister of Finance, the Minister of Communications and IT and the National Security Adviser to the Prime Minister.

4. H.E. Dr. Cheikh Tidiane Gadio had a meeting with the Confederation of Indian Industry (CII) and met several leaders of the Indian business community interested in the opportunities offered by Senegal. He also addressed a conference at the Indian Council of World Affairs on NEPAD, TEAM-9 and cooperation between India and Africa.

5. The Senegalese side and the Indian side noted with satisfaction the warm friendly relations existing between Senegal and India. They reiterated

their desire to further strengthen the excellent cooperation and close and friendly ties between the two peoples.

6. Both sides agreed that friendly contacts and direct exchanges between Ministries, Parliamentary institutions and political parties of the two countries should be further enhanced. Both sides agreed to give priority to consolidation of cooperation in all the already identified fields.

7. Both sides recognized that there exists a great potential for increased economic cooperation between the two countries. They expressed their conviction that there is considerable untapped potential in major sectors, especially in the fields of Information Technology and knowledge products, Agriculture as well as Small and Medium Scale Enterprises.

8. To provide an added momentum, the two sides reiterated their commitment to deepen and diversify the scope of their economic trade and cultural exchanges and to promote investments. In this context both sides agreed to convene the second session of the Joint Commission Meeting in the month of January 2005. Senegal offered to host the meeting in Dakar, even though it was, in principle, scheduled to be held in New Delhi.

9. To further strengthen the economic cooperation, both sides agreed to implement all necessary steps towards the signature, at the earliest, of a Bilateral Investment Promotion and Protection Agreement and a Double Taxation Avoidance Agreement.

10. Both sides appreciated the success of cooperation at the industrial level between India and Senegal with Industries Chimiques du Senegal (ICS) being a shining example of this fact.

11. Both sides noted with satisfaction the strengthening of this cooperation with the creation of the 'SENBUS Industries', a joint venture vehicle assembly plant, and also agreed to take all appropriate steps, for the successful realization of this project.

12. The Indian side agreed to extend assistance to the Senegalese side for the Development Programme of Urban and Inter-urban Transport in Senegal. In this regard, the Indian side agreed to provide a line of credit for the acquisition of 350 buses from India. The Senegalese side warmly thanked the Indian side.

13. The Indian side informed the Senegalese side that the feasibility study and a Detailed Project Report for the Dakar-Tamba-Ziguinchor Railway line would be done at the earliest.

14. The Senegalese side expressed its desire to acquire tractors and other agricultural equipment from India, using the Indian US $ 15 million credit line previously granted to Senegal. The Indian side approved the request and the both parties agreed this purchase would be accompanied by a transfer of technology, which will translate into the establishment of a tractor assembly plant in Senegal.

15. The two sides decided to support the strengthening of TEAM-9, a techno-economic cooperation initiative between India and some African countries. In this regard, it was decided to hold the first meeting of the Standing Committee at the earliest, and Senegal offered to host the first meeting of the Standing Committee.

16. On the situation in Africa, the two sides expressed satisfaction over the positive developments in the continent represented by the establishment of the African Union, with NEPAD as its economic arm. India expressed its commitment to support the African continent in the context of NEPAD.

17. On the international level, both sides reaffirmed their commitment to promote the formation of an equitable multi-polar world order based on the equality of states, principles of rule of law, territorial integrity and non-interference in the domestic affairs of States with a view to removing threats to stability and international security.

18. India and Senegal reaffirmed their faith in the Non Aligned Movement and stressed the importance of its revitalization to address global issues such as poverty alleviation, sustainable development, food security, as well as issues of international peace and security.

19. The two parties expressed their determination to pursue contacts initiated to ensure that the basic concerns of developing countries are taken into account in future multilateral trade talks at WTO level, particularly those relative to agricultural subsidies and market access.

20. The two parties expressed grave concern over the spread of international terrorism, religious intolerance, international crime, drug and arms trafficking. They considered this wave of violence as a threat to the

sovereignty of States, development, stability as well as to international peace and security. They condemned terrorism in all its forms and manifestations, regardless of its authors and motivations. In this regard, the two parties stressed the importance of the strict, total and unconditional implementation of all United Nations Security Council Resolutions on Terrorism. They stressed the need to strengthen the international legal system to fight against terrorism by reinforcing the International legal system on the battle against Terrorism.

21. On behalf of the Government of the Republic of Senegal, H.E. Dr. Cheikh Tidiane Gadio expressed sincere thanks to the Government of the Republic of India for the warm hospitality extended to him and his delegation and extended an invitation to the External Affairs Minister of India, H.E. Mr. Natwar Singh, to make an official visit to Senegal at the earliest.

22. The invitation was accepted with pleasure and it was decided that the External Affairs Minister of India would visit Senegal in the month of January 2005. The exact dates of the visit would be finalized through diplomatic channels.

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SOUTH AFRICA

279. Press conference by Foreign Secretary Shashank on the meeting of India-Brazil-South-Africa Dialogue Forum.

New Delhi, March 2, 2004,

Foreign Secretary (Shri Shashank): I would seek your indulgence that I make an opening comment on the IBSA Forum and then I request my colleague Additional Secretary, Dr. Sheelkant Sharma, to take the questions. He was recently the Leader for the Delegation for the IBSA Senior Officials Meeting in Brazil. So, he has been more directly involved with all these consultations. Before I leave, in case there is anything you would like me to tell you about any other subject, that of course I can take on depending on the time.

As you know, this India-Brazil-South Africa Dialogue Forum was

established on 6th June, 2003 where it was agreed that the 1st Trilateral Joint Commission Meeting could be held in New Delhi. This is what is now happening. The three Foreign Ministers would be co-chairing this Trilateral Joint Commission on 4th and 5th March. A preparatory meeting would be held at the Permanent Secretary level tomorrow, 3rd of March.

The idea of IBSA had emerged out of a general feeling about the absence of an effective forum for South-South cooperation. Just before the first meeting in Brazil, the Heads of State and Government were present during the G-8 meeting in Evian on 2nd June, 2003 which in a way prepared the context of the Brasilia meeting and also the meeting of the Trilateral Commission now. The Brasilia Declaration covered the entire range of issues of concern in the bilateral and multilateral context and provided for regular political consultations on international agenda items, and exchange of information on areas of mutual cooperation.

The Foreign Ministers, as you would recall, met on the margins of the 50th UN General Assembly session on 24th September 2003. They had issued a Declaration at that time. Also, there was an informal summit where our Prime Minister met Presidents of Brazil and South Africa at a dinner in New York on the same day, on 24th September. The importance of this grouping is, once again we can reiterate, that the three countries are large democracies pursuing economic growth and attendant betterment of their large populations in the era of globalisation. This partnership is an example of the innovative globalisation where the three countries, despite the vast geographical distance between them, come together in a quest for greater autonomy. It has a vast potential for shaping the debate on global issues and influence its course so that globalisation becomes a positive force for the benefit of the developing countries.

This Dialogue Forum received further momentum by the visits to India of - South African President Thabo Mbeki during 15-17 October, 2003; the Brazilian Foreign Minister Celso Amorin during 20-22 October, 2003; the Brazilian Defence Minister in November-December, 2003; and then the Brazilian President Lula during 24-28 January as the Chief Guest for the Republic Day function earlier this year.

Lately, the Defence Ministers of the three countries met in Pretoria on 1st February 2004. They have outlined the programme to promote trilateral cooperation in the area of defence. This meeting of the focal points

of the senior officials was held in Brasilia on 12th and 13th of February. They identified areas of health, science and technology including IT, transportation for both civil aviation and shipping, tourism, trade and investment, energy and human resource development.

Apart from the official level interaction, the apex organizations of commerce and industry have also given their full support to this increased engagement. During the visit of President Lula, CII signed an MoU with its counterpart the National Confederation of Industry of Brazil. FICCI already had a similar arrangement with the Chamber of Commerce in South Africa. So, this private sector cooperation goes hand in hand with the official level and the higher-level interactions among the three countries.

One of the important decisions which have been taken by the IBSA Forum is to create a facility for poverty and hunger alleviation. This is likely to be one of the important initiatives to be decided at this Trilateral Joint Commission. The aim is to facilitate cooperation in design and implementation of replicable and scalable projects for eradicating poverty and hunger in the developing countries by providing improved access to education, health and sanitation. This is likely to be operationalised under UNDP by setting up a trust fund.

At the end of the deliberations the three Foreign Ministers are expected to adopt a New Delhi Plan of Action which would include specific and concrete proposals for stepping up cooperation among the three countries and would chart a course for further evolution of the IBSA Dialogue Forum.

This is broadly the context in which we are going to have the meetings. Basically, the Foreign Ministers themselves would take up the discussions on issues like multilateral economic issues, multilateral political and security issues, and the future vision of IBSA. We plan to have separate Working Groups at the senior official level in the various areas which I have already identified. The seven breakout sessions will be there.

If you would recall, the IBSA Forum was followed immediately after the Cancun Ministerial meeting where these three countries together with other important developing countries were able to work effectively in the negotiations through G-20 or G-21 on the question of subsidies and through G-16 on the issue of new agenda items introduced in the Singapore declaration.

Secondly, we have signed early in January - I think on 25th January this year – a Free Trade Area Agreement between MERCOSUR and India. During his visit, President had brought along several senior officials and Ministers from the MERCOSUR countries which are Argentina, Brazil, Uruguay and Paraguay. We are working on a similar Free Trade Area arrangement with South Africa and its partners in SACU, that is, Southern Africa Customs Union. There is hope that this IBSA meeting would give a further impetus to an early signing of this FTA also. This will really bring together in more ways than one the three different continents – MERCOSUR, southern cone of Latin America, southern part of Africa and India. Gradually, as India becomes part of SAFTA and BIMSTEC Free Trade Areas, the advantages of this association would be expanded to the other regional organizations also.

Thank you very much indeed. If there is anything which you would like me to answer, I would be happy to do that. Otherwise, I think Dr. Sharma would be able to satisfy you even more than what I can do.

Question : If you recall, in your briefing on the subject in June last year, you had described this Forum as a rainbow coalition. Gradually the term rainbow coalition disappeared and this Dialogue Forum emerged. What could be the reasons for that? Is it because India is not too happy about the term coalition because it would have compromised the nonaligned status of India? Or, is it because the three countries are in conflict with each other as far as UN Security Council seat is concerned?

Foreign Secretary : As you would see from the Joint Statement issued at the end of Brazilian President's visit in January – you can see it on the XP website – both Brazil and India have agreed to support each other's candidature for permanent membership of the UN Security Council. So, there is no conflict. As regards South Africa, this issue has not really been discussed because African continent has its own position and South Africa would definitely have to go on the basis of whatever position they have in the African continent.

Regarding the second part of your question, there are seven breakout sessions. So, there is a rainbow colour coming in there. I cannot help if more areas have been added. It is a Dialogue Forum. We have tried to have it as a comprehensive forum rather than limit it only to the seven VIBGYOR colours. That is the only simple answer to that.

Question : *You have just said that this Dialogue Forum was constituted after the failure of world trade talks at Cancun. You have said that the developing countries will be meeting to make globalisation beneficial. I want to know what is the next step going to be for us at the WTO? Is that going to be decided in this forum?*

Foreign Secretary : *Firstly, I would like to clarify this because, perhaps, there was confusion on dates. The IBSA forum was constituted in June. Cancun meeting took place in September. Because of IBSA all these countries could come together and discuss issues at WTO in greater detail. The position of the developing countries could be projected very effectively in that meeting which was not expected because between June and September there was not much time left for all the positions that were being discussed before the negotiating process in Geneva to come out. They came up in Cancun. There was not enough time for the negotiations that were taking place to materialize in Cancun itself. However, the process kept moving after that. As you have seen, Pascal Lamy was here, Robert Zoellick was here. The decision was also taken that it is not necessary that there should be progress only at the Ministerial meetings but also the ongoing dialogue that takes place in Geneva. This process is going on.*

In the meanwhile, meetings of G-20 or G-16 are taking place. In those meetings the representatives of other countries also take part and put forward their views. So, this process is continuing. You asked whether IBSA Dialogue would be useful. We believe that in the end it will be useful. When the process is on, it cannot be said whether it is useful or otherwise. Sometimes it is useful and sometimes it is not. We feel that ultimately it will be useful. At least, the articulation of views that is hppening is happening in a very good way.

Question : I have two small questions. The first is, what was the agenda when the Defence Ministers met, what were the issues that were discussed and what kind of projects may we see? The second is in the context of world trade negotiations. When China emerges as a part of G-20, do you think there is any possibility of also involving China in the IBSA Forum?

Foreign Secretary : *When the Defence Ministers met, they established the IBSA Dialogue Forum on Defence Cooperation. This was the biggest result that came out of it. Their meetings will keep taking place regularly. As talks move forward, trilateral cooperation will become more meaningful when*

there is good bilateral cooperation. It is not necessary that in defence cooperation the three countries will meet and come up with something new. Do not look at it from that point of view. Please look at it from this point of view that India-Brazil, India-South Africa, and Brazil-South Africa among themselves will strengthen their bilateral cooperation under this rubric of defence cooperation. There is nothing special in it. If it is felt that there could be synergy in some niche area, something can come out of it at that time. But now, in the first meeting itself there is nothing of such nature. It is just that the Dialogue Forum has been established.

Secondly, talks are on not only with China but also with many other countries which have a keen interest in this. After Cancun, attention of all countries was focused on as to how India and Brazil, which were isolated in Doha, could take others along and walk together. All the countries have an interest in this. That does not mean that three should be made four, and four should be made 77, or the Group of 77 should be formed again. G-77 was more declaratory. Interactive elements were brought into that. South-Centre came up. Meetings and negotiations take place at G-15. They have their own negotiating groups and drafting groups. IBSA is an interactive session. We make an effort to improve relations bilaterally and trilaterally by coming together. We see that effort is made to share the excellence that we have achieved in our countries, with the other two members first and then with the other countries. We are not looking at it exclusively. That is why we are taking to the UNDP. The Trust Fund for Poverty and Hunger Alleviation is going to be a part of the UN. So, other countries can also see and take part in it.

Question : Since the formation of IBSA Dialogue Forum, how has it reflected in the trade ties among the countries? Has the trade volume gone up among the countries or is it still to pick up?

Foreign Secretary : Our figures may come a little later but the Brazilian figures come very fast. So, I will advise you to consult the Brazilians on this because they have an excellent system of digitization of their customs documents. But I have a feeling that there is a tremendous potential of increase in trade and investments among Africa, Latin America and Asia, particularly, India. I think we are going to take advantage of this in this era of globalisation where competitiveness has to be there based on the scale of operations, closeness to the markets, and also building up the

transportation linkages etc. This is all a comprehensive arrangement which is going on. That is how you must have seen that we are involving ourselves in a number of other dialogues also. This is only one of them which we feel is important. Simultaneously, you must have seen the 8 African countries joining hands with us to create TEAM-9. Similarly, in other areas also we are working closely.

Question : Will there be scope during these meetings for bilateral talks also?

Additional Secretary (Dr. Sheel Kant Sharma): Bilateral processes have also been under way during the past one year, since last June. The number of exchanges in the bilateral front have also gone up. So, bilateral processes are there in parallel with the trilateral processes. They have had impact on each other. But this is focused on the trilateral IBSA Dialogue. So, bilateral things will not come up in the Forum as such. But, since the Ministers are present and the delegations are present, they can talk about it. After all, all diplomats are like that. When they meet they transact business.

Question : What is the status of …?

Additional Secretary : We just had, about a month back, the state visit by the President of Brazil. You should see the statement issued after the visit. That is where the matters rest at the moment.

Question : After the Foreign Ministers' meeting, is there any possibility of a summit level meeting also of the three countries?

Additional Secretary : There is nothing on the cards as yet. The last time it happened that at the time of General Assembly our PM was there and the Presidents of South Africa and Brazil were also present. So, they met. They had also, before that, met at the G-8 Summit. These meetings would come up in the course of the year.

Question : Brazil and South Africa have traditionally opposed India in the Nuclear Suppliers Group. They have taken an anti-India position, as far as nuclear technology is concerned for peaceful usage. Has this come up in the discussions that have taken place with Brazil and South Africa?

Additional Secretary : We have not discussed these things in such detail so far. But both Brazil and South Africa are parties to the NPT and they go

by their international obligations there. At the same time, they also understand India's role as a responsible state which has been outside the formal framework of the NPT, but which has been at the same time wedded to the goal of nonproliferation. We work together in the Non-Aligned forums and the G-77. In the Conference on Disarmament we - India, Brazil and South Africa – are part of the Group of 21 where we have common identity of views on a number of agenda items in global disarmament. So, it is not correct to say that we have differences and that we work at each other.

Question : In the context of the Nuclear Suppliers Group, what is the position of these two countries? Will we be able to leverage this new relationship to further our political ends in NSG?

Additional Secretary : The Nuclear Suppliers Group is a group of 40 countries. I think it will not be fair to single out two countries to decide what the NSG would be doing. You know all these multilateral groups go by different rules. So, when we talk about NSG we go by their rules.

Question : How often would the Joint Commission be meeting? Is it going to be an annual meeting or a biennial meeting?

Additional Secretary : At the moment, this is the first meeting of the Trilateral Commission. The Ministers will decide when they meet again. But, our experience over the last year has been that there have been very frequent meetings. We already have other Ministers who are interest in coming. There are other Ministerial meetings which are on the cards among the three countries.

Question : Will this issue of next Ministerial round of WTO at Beijing also come up during these talks? Will the issue of relaxation of the visa regime also be discussed?

Additional Secretary : About the second question, I have no indication so far. For the first question, the answer is yes. These things will come up.

(The text in italics is translated from Hindi)

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280. India-Brazil-South Africa (IBSA) Dialogue Forum Trilateral Commission Meeting, Plan of Action.

New Delhi, March 5, 2004.

Transportation (Civil Aviation and Shipping)

1. Recognizing the need for air connectivity between the three nations, so as to facilitate and enhance the movement of passengers and goods and achieve the objectives of the Brasilia declaration, the Ministers emphasized the importance for concrete trilateral co-operation in the Civil Aviation sector.

2. The three countries agreed to the following action plan in respect of Air Transport:

a) The Air Services Agreement between Brazil and India would be finalized in April 2004.

b) A trilateral co-operation Agreement on Air Services would be considered and finalized before the end of 2004, particularly in the areas of broadening fifth freedom rights, identification of routes for increased frequency of air links and possibilities for commercial agreements between airline companies (Code sharing etc.) In the meantime exchange of information and ideas on the nature and content of the Trilateral Co-operation Agreement would take place.

c) The three countries would consider common approaches on matters of mutual interest on Civil Aviation issues in multilateral forums.

Efforts through mutual consultation would be made to facilitate efficient cargo transportation, encourage tourism through charter flights and foster exchanges on best practices in areas of Training, Safety, Security, Airport Management, Air Navigation and Communication systems between the three countries taking into account the different national legislations.

3. With regard to cooperation in Maritime Sector, the Ministers agreed that there would be exchange of information and meetings among the officers of Ministry of Shipping and Transport of the three countries with a view to develop a Trilateral Maritime Transport Corridor between India, South Africa and Brazil. The three countries also agreed to cooperate in the fields

of maritime training, capacity building and port logistics, inland water transportation; to coordinate stands on issues concerning maritime affairs in multilateral fora.

4. India and South Africa will conclude their bilateral cooperation agreement by the end of 2004.

5. It was agreed to explore in the near future a structure for trilateral cooperation on maritime transportation matters, possibly in the form of a Framework Agreement.

Tourism

6. The Ministers agreed that the product offering of the three countries viz. India –Culture and Heritage, South Africa - Eco Tourism and Nature Conservation and Brazil – Festivals and Sun and Sea, provided opportunities for convergence and integration into unique tourism packages. This necessitated familiarization tours for the leading tour operators, travel agents and travel writers. As a first step, India will take the initiative to structure a meeting of the leading players of the private sector of the travel, tourism and hospitality industry of the three countries.

7. The Ministers agreed to a programme of action in the following areas: Capacity building in Culture/Heritage; Joint Marketing initiatives; Eco-tourism and Nature Conservation and Management of Cultural Festivals and any other areas mutually agreed upon. There will be exchange of information on statistics on tourism related aspects as well as promotion of mutual investment in three countries.

8. The three countries agreed to pursue common approach with regard the activities of World Tourism Organization(WTO) and other relevant multi-lateral fora.

9. Considering that India has bilateral tourism agreements with Brazil and South Africa, the later two will endeavour to conclude an agreement by the end of 2004. The three countries will explore the possibility of a tri-lateral cooperation agreement in tourism.

10. It was agreed that the meeting of the IBSA Tourism Ministers would be held by the end of June 2004 to further strengthen cooperation in Tourism.

Trade and investment

11. The ministers agreed that the IBSA countries can reinforce the economic strength of each other by synergizing their complementarities in areas of industry, services, business and technologies and create a market of 1.2 billion people, 1.2 trillion dollars of GDP and foreign trade of 300 billion dollars. They further agreed to consider signing of a trilateral cooperation agreement to promote and facilitate trade among the three countries.

12. The Ministers agreed:

· To seek convergence between the preferential trade negotiations between the three countries and their regions (Mercosur-SACU, Mercosur-India, SACU-India)

· To increase trade flows between the three countries from US$4.6 billion presently to US$ 10 billion by 2007

· Strengthening business to business links among the three countries

· Holding of IBSA Business Summits on rotation in each country.

· Each country to conduct studies to examine the potential for economic and commercial partnership and suggest ways and means for increasing trade and investment flows among the three countries. The studies should be completed by September 2004.

13. The Ministers welcomed the Brazilian proposal to promote the establishment of a trilateral business council.

Infrastructure

14. The Ministers recognized that there are opportunities for IBSA members to implement projects through, inter alia, State owned enterprises and public/private partnerships in each other's country as well as jointly in other countries. Areas of cooperation could include:

- Civil engineering, project management;

- Construction, roads, highways, airports, ports, and energy sector;

- Telecommunications and Internet.

Job creation and small, medium and micro enterprises

15. The Ministers underlined the importance of job creation, youth entrepreneurship and development of small, medium and micro enterprises. It was agreed:

- To exchange best practices, technology and tools, with an emphasis on youth entrepreneurship and employment.

- To share experiences to better assist the rural and youth populations.

- To create links between entities, federations, etc. responsible for job creations.

- To create links between SMME and promotion institutions.

- To allow for broad participation of government, labour, business, civil society and NGOs.

- To develop joint training programmes for human resources development, including the exchange of students and youth entrepreneurs.

Science and Technology

16. The Ministers noted the existence of functional science and technology bilateral agreements among the three countries. They also outlined a process to shape the relationship among the IBSA countries towards a mutually agreed outcome, which includes:

· the finalization of a Memorandum of Understanding (MOU) detailing concrete modes and areas for engagement;

· the establishment of a trilateral working group to formulate a detailed programme of action and meet regularly to review progress on its implementation.

17. The first meeting of the working group will take place in South Africa, in May 2004, to prioritize projects for the programme of action.

18. The Ministers agreed to establish IBSA Technology Days, which will be organized annually, on rotational basis, for the purposes of showcasing the IBSA science and technology capabilities and progress.

19. South Africa also offered to host a science and technology

implementation meeting, to be held in conjunction with the South African Science and Technology Fair, in Johannesburg during November 2004.

20. The modes of science and technology cooperation will include:

· short-term exchange of young scientists;

· trilateral workshops on mutually agreed themes;

· exchange of science and technology information;

· specialized training in areas of national strength;

· development of lecture series; and

· research and development collaboration and cooperation.

21. The mutually agreed areas for cooperation and collaboration in the short to medium term include:

· biotechnology, including agricultural biotechnology, and bioinformatics;

· alternative and renewable energies;

· astronomy and astrophysics;

· meteorology and climate change;

· oceanography, fisheries science and Antarctic research;

· indigenous knowledge; and

· information technologies.

22. In addition, the three countries agreed to share information on best practices in technology transfer and to engage on intellectual property rights issues related to the protection of biodiversity and traditional knowledge.

23. Further, the three countries agreed to network their research and development institutions in order to strengthen and further develop the trilateral science and technology relationship.

24. Brazil's offer to host a meeting of Ministers of Science and Technology in the third quarter of 2004 was welcomed, as well as South Africa's offer to

host the First IBSA Technology Day and a Technology Fair.

Information Society

25. The Ministers highlighted the strategic role of information and communication technologies in the promotion of social and economic development. India, Brazil and South Africa, as three large developing countries, regard information technologies as essential tools to job-creation, economic growth, and poverty eradication.

26. The strengthening of national information technology industries is essential to promote competitiveness of the three national economies and to boost national capabilities in exportation.

27. The Ministers emphasized the need for joint action and urgency in combating the fast growing Digital Divide not only between developed and developing, but also within, countries. The Digital Divide widens other social divides, such as the income, educational, scientific and cultural.

28. Taking into account the outcomes of the Brasilia Meeting of 12 and 13 February 2004, the Ministers agreed to synergise the capacities of the three countries in the following project areas:

29. Projects On E-Governance

· Develop Information and Communication Technology (ICT) tools and applications aimed at improving public administration at different levels of government, taxation management, public financing and delivery of public services.

30. Projects On Capacity Building

· Using ICTs to impart literacy skills

· Harnessing Human Computer Interaction Technologies to address development challenges, especially those related to illiteracy and disability.

· Increase research on using wireless technologies to extend access to computers and provide affordable connectivity, especially to poor people and those located in rural and remote areas.

· To develop innovative solutions aimed at extending public access to computers and ICT skills to under-privileged people.

· Extend Cyber infrastructure by harnessing technologies such as grid and cluster (blade or middle range) computing, High Performance Computing and broadband communication networks for advancing research, development and competitiveness and thereby developing solutions to larger and more complex problems.

31. Projects On Local Content Development

· Developing a universal networking language so that people in one part of a country or the world, speaking different languages, can communicate without the need to know each other's language.

32. Projects On E-Health

· Increasing tele-medicine infrastructure to enable patients to receive health services such as medical diagnosis and advice to which they would not ordinarily have access due to distance and/or limitation in the availability of specialists.

33. Modes of cooperation: · Coordination of initiatives in the area

· Sharing of experience and expertise through inter alia exchange of technical missions and information in areas of national strength

· Joint piloting of projects, development of testbeds and possible planning of full scale implementation

· Human resource development in the identified areas of cooperation

· Joint evaluation of projects.

Trilateral Memorandum on cooperation on the Information society

34. Brazil, India and South Africa, as founders of the World Summit on the Information Society Like-Minded Group of countries, decide to continue their coordination of positions in order to contribute effectively towards the development of an inclusive Information Society.

35. They also re-iterated their commitment to contributing to the success of the Tunis Phase of the Summit.

36. Accordingly, the Ministers agreed on the establishment of a tri-lateral Consultative Group to coordinate this work, and in particular, ensure effective

contribution to the Working Group on the Digital Solidarity Fund and the Working Group on Internet Governance to be established by the UN Secretary General.

37. The IBSA Working Group on the Information Society shall meet to work on a Trilateral Memorandum of cooperation on Information Society during the First IBSA Technology Day Workshop due to take place in South Africa in May 2004.

38. India and South Africa welcomed the Brazilian initiative to hold an IBSA Workshop on Information Society, which is to be organised by SERPRO (Federal Data Processing Services Enterprise), during the next Congress on Public Informatics. The Congress is the main Brazilian event on modernising public administration at different government levels and enhancing public participation in decision-making using ICTs.

39. This Congress, within which SERPRO- the Federal Data Processing Services Enterprise- intends to organise an IBSA workshop, is due to take place in Sao Paolo from 22-24 June 2004.

40. The Ministers decided to recommend an IBSA Ministerial on the Information Society as soon as possible.

Health

41. In the area of the health related issues, in its meeting held in Brasilia on Feb.12-13, 2004, the working group on health, discussed the following six areas of common interest: -

1. Intellectual property rights and their impact on access to medicine;
2. Traditional medicine;
3. Integration among laboratories / sanitary regulation;
4. Epidemiological survey;
5. Vaccines;
6. Research and development of products of the pharmaceutical sector.

42. In the meeting at Brasilia, it was agreed that: -

(a) Each country would present a paper on the impact of Intellectual Property Rights (IPR) on Public Health and access to medicines in their own country in a workshop to be held in New Delhi in the first week of March so that common strategies could be developed to ensure universal access of medicines and innovation.

(b) India would prepare a paper on organization and management of Traditional Medicines to be discussed at a conference so that a common Plan of Action for their greater use could be developed.

43. In addition it was also agreed that at a mutually convenient date after the New Delhi meeting, each country would present their own assessments of the strengths and weaknesses in disease surveillance, which would facilitate the development of strategies for effective disease surveillance with emphasis on the strengthening of national laboratory network.

44. The representatives of the three countries met in New Delhi on March 3-5,2004 and presented a paper each on the impact of Intellectual Property Rights (IPR) on Public Health and access to medicines with a view to evolving common strategies to ensure universal access of medicines and innovations.

45. In the course of discussions, which followed the presentations, the following points of agreement emerged-

(i) The national statutory frameworks of the three countries should reflect all the flexibilities allowed for by the WTO TRIPS Agreement, Doha Ministerial Declaration on the TRIPS Agreement and Public Health, as well as the further decisions on Para 6 of the said declaration. Further, IBSA agrees to make efforts to urge other countries, particularly developing and least developed countries, to consider taking similar steps to reflect all the above mentioned flexibilities in their national legislations.

(ii) The bilateral / multilateral trade agreements, which are "TRIPS Plus" should be opposed. The three countries should also take lead in sensitizing other developing countries in this regard.

(iii)To take all steps, including exchange of technical experts and collaborative efforts, to strengthen the indigenous manufacturing capacities

and to make available low cost, low priced, effective, safe and quality pharmaceutical products.

(iv) To leverage the opportunity provided by the setting up of WHO Commission on Intellectual Property Rights, Innovation and Public Health (WHA 56.27) to put across the commonly agreed point of view of the three countries. For this purpose, the Health Sub group of IBSA identified focal points to prepare a draft document to be submitted to the Commission by mid July 2004. A meeting in this regard would be convened on the sidelines of the 57th WHA at Geneva.

46. A status paper on organization and management of Traditional Medicine was presented on behalf of India. Keeping in view the wide scope for cooperation in this area, it was agreed that the three countries would identify focal points to pursue the matter further.

47. It was agreed that Brazil would circulate a paper on their disease surveillance programme and the status of national laboratories network and make a presentation on the sidelines of the 57th WHA at Geneva.

Energy

48. The Ministers proposed the institution of a programme of reciprocal visits with the purpose of exchanging ideas, experience and practices in the energy area. These exchanges may include: research and development, storage and distribution, technology transfer, practical application of technological knowledge, and organization and regulation.

49. The following areas were identified for initial cooperation: (i) access to affordable energy in rural areas with emphasis on non-conventional energy; (ii) exploring bio-diesel as a commercially viable energy source by exchanging knowledge and experience; and (iii) research and development in the areas of hydrogen energy and fuel cells.

50. The Brazilian side has proposed to host the first meeting of the Energy Working Group in the third quarter of 2004.

Defence

51. The Ministers recalled the meeting of the Defence Ministers of South Africa, Mr. M.G.P. Lekota, Mr. George Fernandes of India and Mr. Jose

Viegas Filho of Brazil in Pretoria on February 1, 2004 at the invitation of the South African Minister of Defence to discuss areas of common concern and potential trilateral cooperation in areas of defence and mutual security.

52. In their first meeting, IBSA Defence Ministers, in accordance with the objectives set out in the Brasilia Declaration, exchanged views on common security concerns with specific reference to the security situation in their separate regions. They also discussed themes related to security on the international agenda and underlined the importance and necessity of a process of dialogue amongst developing nations and countries of the south on security-related issues of mutual interest.

53. The Ministers recognized the primacy of the role of the United Nations in maintaining international peace. They also recognized and appreciated the efforts of the African Union in regional peacekeeping. The Ministers agreed to initiate steps for joint peacekeeping training/exercises.

54. They agreed that in the interests of promoting international security, the three countries would cooperate towards promoting maritime and air safety, including combating illegal weapons and narcotics traffic and maritime transit of toxic chemicals and radioactive waste across Indian and Atlantic Oceans.

55. The Ministers agreed that it would be mutually beneficial to foster interaction amongst them, noting that their defence industries had developed excellence in diverse areas, which could offer a broad range of potential opportunities - capitalizing on each others' respective strengths - for cooperation in defence production, co-development, trade and joint marketing.

56. The Ministers agreed to explore coordination among the defence research institutions in the three countries and of their respective defence industries to provide inputs for the identification of concrete cooperation projects.

57. Training was identified as another area with a significant potential for mutually beneficial cooperation and the Ministers agreed to institutionalize exchanges among the respective defence institutions.

58. The Ministers agreed to continue a regular trilateral dialogue on an annual basis. Next meeting shall take place in Brazil in 2005.

Education

59. The three Governments of India, Brazil and South Africa assigned priority, in the Brasilia Declaration, to the promotion of social equity and inclusion and have agreed that education is a powerful instrument for achieving those goals. The three Governments have a rich experience and expertise on a variety of areas and aspects of education. Each country stands to benefit from sharing of such expertise, and from collaboration. The three countries also share areas of common concern over access to and quality of education at all levels. These concerns have greater significance in the context of globalization.

60. The Ministers decided that major areas of collaboration will be open and distance education, higher and professional education and universal mass education with special emphasis on quality and gender equity. The detailed mechanism and framework for collaboration will be worked out in round table conferences in each area, preferably before the next IBSA Dialogue Forum. Each country may host one round table conference on one of the selected themes.

IBSA Facility for Alleviation of Poverty and Hunger

Background

1. Following announcements made at the United Nations General Assembly in September 2003, the Governments of India, Brazil and South Africa decided to establish a trust fund, within UNDP, aimed at contributing, in a concrete manner, to poverty and hunger alleviation, in a framework of improved international cooperation, including towards the implementation of the millennium development goals.

2. The trust fund will be used to implement identified replicable and scaleable projects to be disseminated in interested developing countries as examples of best practices in the fight against poverty and hunger, including actions in the areas of improved access to health, education, sanitation and food security.

3. The IBSA facility for poverty and hunger alleviation will be a dedicated trust fund within UNDP.

Governance

4. UNDP will provide the facility with adequate administrative support free of charge.

5. A Board of Directors will be appointed to govern the facility. The Board of Directors will be composed of the designated representatives of the governments of India, Brazil and South Africa as originators of facility. The administrator of UNDP or his designated representative will serve ex-officio on the board.

6. The Board of Directors will set the strategic direction of the facility. It will also identify projects within the focus areas, review project submissions and decide on resource allocation. On an annual basis, UNDP will present to the Board of Directors a report on the operations of the facility. The Board of Directors will be responsible for fund raising for the facility, including with the assistance of UNDP.

7. The Board of Directors or their designated representatives will engage donor and interested parties on a project by project basis on the implementation of projects.

Funding Sources

8. The facility will benefit from initial contributions from India, Brazil and South Africa to facilitate the start-up phase. The UNDP contribution will consist of in-kind office space and administrative support and oversight for theoperations of the facility.

9. It is expected that the facility will be financed through contributions from donor countries, additional to ODA, as well as through non-traditional sources, such as contributions from individuals, civil society organisations, including businesses and NGOs, and philanthropic foundations.

Operations

10. The facility will be dedicated to the development and replication of best practices, as pioneered in India, Brazil and South Africa, to be identified by the Board of Directors.

1. The Board of Directors will transmit project and programme concepts which are examples of best practices in their countries to the UNDP. UNDP

will disseminate this information and will communicate to the Board of Directors expressions of interest from governments.

2. On the basis of such a matching exercise, the UNDP will seek additional funding as necessary for each individual project from Governmental and non-Governmental sources.

3. UNDP country offices will disburse funds and manage the project cycle, reporting to the Board of Directors on an annual basis on the use of these funds.

Eligibility for funding

4. All developing countries are eligible for receipt of funding from the facility.

Awareness raising

5. UNDP undertakes to support awareness raising activities for the Facility, including through meetings at Headquarters, and inclusion in its annual report and on its website as part of its administrative support.

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281. Joint declaration issued at the end of India-Brazil-South Africa (IBSA) Dialogue Forum Trilateral Commission meeting: Agenda for Cooperation.

New Delhi, March 5, 2004.

The Minister of External Affairs of India, H.E. Mr. Yashwant Sinha, Foreign Minister of Brazil, H.E. Mr. Celso Amorim, and of South Africa, H. E. Dr. Nkosazana Dlamini-Zuma met in New Delhi on 4th and 5th March 2004 for the first Meeting of the Trilateral Commission of the IBSA Dialogue Forum.

2. The Foreign Ministers reviewed developments in the trilateral initiative that began with their meeting in Brasilia in June 2003 and the meeting of the three Heads of State and Government in New York in September 2003. They appreciated the progress achieved so far and stressed the importance

of carrying forward the multi-faceted dialogue and of registering tangible results in the operational areas already agreed upon. The Ministers noted the significant steps already envisaged at the trilateral meeting of the Defence Ministers of the three countries (held in Pretoria on 1 February 2004) for stepping up cooperation.

3. The Ministers held a wide-ranging discussion in a friendly and cordial atmosphere and exchanged views on regional and international issues of mutual interest as well as on promotion of trilateral cooperation in accordance with the objectives set forth in the Brasilia Declaration. They attached immense value to the beneficial spin-offs from their enhanced trilateral cooperation to South-South cooperation. IBSA aspires to make a significant contribution to the framework of South-South cooperation and be a positive factor to advance human development by promoting potential synergies among the members.

4. The Foreign Ministers reaffirmed their determination to play a constructive role in international affairs and to maintain friendly relations with all countries. Their approach to IBSA dialogue aims at imparting a new synergy to these interactions.

Multilateralism – Reforms of UN

5. The Ministers agreed to work together to strengthen the multilateral system. They expressed support for early reform of the United Nations to make it more democratic and responsive to the priorities of its member states, particularly those of the developing countries that constitute the vast majority of its membership. They agreed that their respective delegations to the UN and its specialised agencies as well as other multilateral bodies would remain in close touch with each other and would consult on all issues of significance.

6. The Ministers expressed the view that the UN Security Council, as configured today is not representative of present-day realities. They highlighted the need for reform which would impart greater balance and representativeness to the Council and reflect contemporary reality and emphasised the need for expansion in both permanent and non-permanent categories. They reaffirmed that the decisions of the Security Council should be seen as serving the interests of the global community. They agreed to jointly explore innovative solutions to the issues relating to the reform of the Security Council in order to accelerate the decision making process.

Peace and Security

7. The Ministers noted that primary focus on human development, the fight against poverty, and measures to promote a better quality of life, should underpin and provide for greater guarantees for international peace and stability. The three Ministers took stock of the global security situation - concerning disarmament and non-proliferation of Weapons of Mass Destruction (WMD). They took note of avowed commitments of Governments regarding the transfer of technology related to the manufacture of WMD and expressed hope for observance of these commitments unequivocally. They also underlined that implementation of and compliance with non-proliferation and disarmament commitments suffered from serious inadequacies, which should be redressed through appropriate forward looking multilateral actions. They agreed to intensify their cooperation at the IAEA and other forums with a view to ensuring unimpeded growth and development of peaceful use of atomic energy through supply of technology, equipment and material under appropriate safeguards.

8. On the Israeli-Palestinian situation, the three countries urged an immediate resumption of dialogue on the basis of the relevant UN Security Council resolutions, the Arab League Peace Initiative and the Quartet roadmap so as to achieve a peaceful and lasting solution thereby ending the current cycle of violence. They specially affirmed their full support to the vision of the settlement postulated in the UN Security Council Resolution 1397 of two sovereign states, Israel and Palestine, living side by side within secured and recognised borders. The three countries expressed their willingness to play a constructive role to bring about just, durable and comprehensive peace in the region.

9. The three countries noted the convergence of their views on Iraq. They stressed the maintenance of unity and integrity of Iraq as well as the restoration of security and stability in the country and called for transfer of full sovereignty to the Iraqi people as soon as possible. In this context, they agreed that the UN must play a vital role. They also emphasised the urgency of reconstruction in Iraq under a democratically elected sovereign government.

Terrorism

10. The Ministers agreed that international terrorism was one of the most

significant threats faced by the world today and that it can only be tackled collectively. They further agreed that terrorism should only be considered with reference to the terrorist act and its consequences. There can be no justification for terrorism- political, religious or any other. The Ministers emphasised that it was imperative today for the international community to come together to combat terrorism, in a sustained and comprehensive manner, with the ultimate objective of eradication of terrorism in all regions.

11. The Ministers reaffirmed their full support to implementing all the measures to combat terrorism outlined in the UN Security Council Resolution 1373. They called on the international community to work together in a spirit of cooperation and accommodation with the objective of an early conclusion of negotiations and the adoption of the Comprehensive Convention on International Terrorism.

Globalization

12. Recalling their commitment to pursuing policies, programmes and initiatives in different international forums, to make the diverse processes of globalization inclusive, integrative, humane, and equitable, the Ministers noted with concern that the current global economic structures and mechanisms continued to be marked by inequities. The Ministers felt that an important challenge before the international community was to maximise the benefits of globalisation and to ensure that it becomes a positive force for sustained economic growth in all developing countries. They emphasised that developing countries need to have their own agenda which would set out their goals in the context of globalising world. They must carry this agenda into multilateral processes with a view to influencing negotiations and arriving at results which are beneficial to the South. In this context, the Ministers took note with appreciation the conclusions and recommendations of the World Commission on the Social Dimension of Globalisation which called for steps to achieve a fairer form of globalisation that created opportunities for all.

13. The Ministers agreed to intensify cooperation in areas of mutual interest in the current round of multi-lateral trade negotiations as exemplified by the G-20 to realise the Doha Development Agenda and enhance trade opportunities commensurate with the development needs of developing countries under a fair, equitable and transparent rules-based multilateral trading system.

Sustainable Development

14. India, Brazil and South Africa have similar concerns with regard to the protection of environment while they march ahead on the path of socio-economic development in their respective countries. In this context the three sides agreed to work together to promote practical cooperation in ensuring sustainable development. The Ministers also agreed to coordinate positions on climate change, bio-diversity, and other related issues at the concerned multilateral fora.

15. The Ministers reaffirmed the validity of the principles contained in the Rio Declaration, particularly on common but differentiated responsibilities, the Programme of Action contained in Agenda 21, and the Plan of Implementation of the World Summit on Sustainable Development held in Johannesburg, and called for the implementation of these outcomes through the mobilization of new and additional financial resources and transfer of environmentally sound technologies within an agreed time-frame. They stressed that an international environment supportive of development would be critical to this process. They called for a specific focus on capacity building and on transfer of financial resources and technology to developing countries.

16. They underscored the importance of the decision taken at the WSSD to negotiate within the framework of Convention on Bio-diversity, an international regime to promote and safeguard the fair and equitable sharing of benefits arising out of utilization of genetic resource. The Ministers agreed on the need for ensuring that the benefits arising out of the commercial use of genetic resources accrue to the countries of origin. They reiterated in this context their commitment for effective implementation of the Convention on Biological Diversity. They also called for the establishment of a legally binding instrument for protecting intellectual property rights to traditional knowledge and folklore. India, Brazil and South Africa who are also the founding members of the Group of Like-minded Megadiverse Countries, agreed to strengthen cooperation and coordination with emphasis on multilateral negotiations and in fostering activities related to South-South Cooperation.

Social Development

17. The Ministers in the context of the approaching 10th anniversary of

the World Summit for Social Development, recalled that the Summit had sought to put people at the centre of development. They emphasised the need to have the well-being of people as the focus of efforts to assess and address the gaps in the commitments made and results achieved.

18. The Ministers reaffirmed the importance of strengthening of cultural ties of the three countries. With that aim in mind, they discussed the possibility of organising a trilateral cultural fair of music, dance and cinema in Brazil as soon as possible and agreed to take the necessary steps.

19. The Ministers reiterated their earlier commitments as contained in the Brasilia Declaration to address issues related to elimination of all kinds of racial discrimination and to promote gender equality and mainstreaming a gender perspective in public policies.

20. Recalling that the Brasilia Declaration had identified trilateral cooperation among the three countries as an important tool for achieving the promotion of social and economic development, the Ministers agreed that the three countries, with rich untapped natural resources and emerging infra-structural requirements, could in a spirit of South-South cooperation, share expertise in several areas. With this view, working level discussions for enhancing trilateral cooperation in the spheres of S&T, Information Technology, Health, Civil Aviation and Shipping, Tourism, Trade and Investment, Defence, Energy and education took place during the Meeting. Specific programmes of action for trilateral cooperation in each of these sectors were identified based on these discussions and endorsed by the Ministers. These are annexed in the Plan of Action.

21. The Ministers reaffirmed the determination of their Governments to contribute actively and concretely to the implementation of internationally agreed development goals, particularly that of combating hunger and poverty. Following the Heads of State/Governments announcement in September 2003, they reviewed and approved the Guidelines for Operationalisation of the IBSA Facility for Hunger and Poverty Alleviation contained in the Plan of Action. The Ministers decided that a meeting be held before the end of March 2004, to consult with UNDP on certain operational issues. The meeting would also finalise operational guidelines for the Board of Directors and commence discussions on projects for implementation under the Facility.

22. The Ministers also reiterated the invitation for the participation of interested parties in the South-South initiative, including the private sector and civil society. To stress their political commitment, Brazil, South Africa and India announced that they have made fiduciary contributions to the Facility.

23. The Ministers also endorsed the proposal by Brazil to host a seminar on "Economic Growth with Social Equity" with the aim to promote better knowledge among IBSA members of their national policies and strategies to promote economic and social development and exchange views on international development challenges. The organisation of the seminar would be jointly coordinated by the three countries.

24. The Foreign Ministers of Brazil and South Africa thanked the Minister for External Affairs of India for convening the first Meeting of the Trilateral Commission. The three Ministers agreed that the next meeting would be held in South Africa in the first quarter of 2005.

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282. Press briefing by Secretary (West) Smt. Shashi Uban Tripathi on the President's visit to South Africa and Tanzania.

New Delhi, September 10, 2004.

Official Spokesperson: Good afternoon, ladies and gentlemen. It is my great pleasure to welcome Mrs. Shashi Tripathi, Secretary (West) in the Ministry of External Affairs here for this special briefing on the President's visit to South Africa and Tanzania. I would request Mrs. Tripathi to kindly brief you on the visit. If you have any questions related to the visit, those will be addressed in this briefing.

Secretary (West) : Thank you very much Navtej. Good afternoon ladies and gentlemen. First of all, let me introduce myself. I came a week ago and took over as Secretary (West). I used to be Ambassador in Canada. I came on the 1st and took over on the 2nd. My charge extends to Europe, North America minus US, South America and Africa. The President will be visiting Tanzania and South Africa from the 11th to the 18th of September. This is

in continuation of our 'Focus Africa' policy. You know that Presidents do visit countries but in most cases they become ceremonial visits. This visit is not just a ceremonial visit. This is a substantive visit. There is a huge content to this visit because it comes in the context of our 'Focus Africa' policy. The first four days will be in Tanzania. As you know, Tanzania is an important partner of India. It has tremendous good will for India. It is a democratic country which has been enjoying political stability during the recent few years. The most important thing is that its economy has been doing well. For the last few years it has clocked a 5.5 per cent GDP growth which is the fastest in Africa.

President Mkapa of Tanzania visited India in December 2002. Tanzanians have expressed an interest in cooperating with India in some specialized fields, especially education, health, small-scale industries, and the ICT sectors. In each of these sectors we have shown our willingness to assist them with knowhow and with technology.

In the field of education our President is very much interested, as you know. In both Tanzania and in South Africa he will be visiting the universities and schools and interacting there not just with the faculty but with the students, both college students and school students. In Tanzania, he visits a school where a special camp is being organized for disabled children. For that India is providing various aids that they might need. He will be interacting with those children.

We are also taking computers and books for these educational institutions. We will encourage these universities, both in Tanzania and in South Africa, to begin direct exchanges with our own educational institutions because that is what we have started doing with the rest of the world. We want to remove the Government from becoming a middleman and we want to encourage direct exchanges of educational institutions.

In the field of health, we would like to offer them anti-malarial and anti-HIV drugs and medicines. We are also going to offer our assistance in setting up pharmaceutical units for production of drugs.

There are two MoUs that we are going to sign with Tanzania. One is an MoU on the ICT sector and the other is on waiving the loans that we have previously given to that country.

With South Africa, as you know, we have a kind of strategic

partnership. South Africa is also a member of the IBSA, which is India, Brazil, South Africa Grouping that we have. These countries are moving forward not only in the economic field but with political dialogue. Our bilateral cooperation with South Africa covers a wide area and various sectors including defence, technology, economic and commercial interaction. President Mbeki, as you know, visited India in October 2003. At that time several agreements were signed. There is tremendous goodwill for India. You know that in both these countries we have a community of Indian origin which acts as a factor in our relationship with both these countries.

In South Africa the ground is ripe for joint ventures and both countries are looking forward to the joint ventures sector. Another interesting development between India and South Africa is that next month we are going to initiate what we call a Forum of Captains of Industry or a CEOs' Forum. On our side this Forum is going to be chaired by Mr. Ratan Tata. This will take place next month, in October. Once again the areas of cooperation between India and South Africa are going to be space sciences, defence-related industries, the hydrocarbons and the oil sector.

As you know, we look upon South Africa not only as an important bilateral partner but also as a springboard to our interaction with the rest of Sub-Saharan Africa. We hope that this visit of our President will lead to the strengthening of our bilateral relationship and will also have a multiplier effect and will lead to our further interaction with the neighbouring countries of these two partners of India - Tanzania and South Africa. In South Africa, we are going to sign an MoU on the ICT sector.

The President is going to address a Joint Sitting of the Parliament of South Africa. While he is going to be there, a Pan-African Parliament is also meeting and leaders of the Pan-African Parliament will be there. The President has been invited to come and interact with them. He would be the only non-African leader at this Summit and that is a very important development. I will request Mr. Khan to add his input.

Shri S.M. Khan : Pan-African Parliament is like a European Union for Africa where 53 Heads of States come and meet. I do not know how many of them will actually be there. But maybe around 40-45 African Heads of States will be there from various countries. So, the President will get an opportunity to interact with them and he will be with them for quite some time discussing

issues with them. As Madam told you, he will be addressing the universities at both the places.

Another visit is to Zanzibar which is an autonomous region within United Republic of Tanzania. He will be having a day's visit to Zanzibar. He will be going in the morning and coming back in the evening to Dar-es-Salam. He will be meeting the President of Zanzibar and having other engagements there.

Question : This Pan-African gathering, is it of Heads of States or what?

Secretary (West) : It is Heads of States and Governments who are gathering in South Africa for this Parliament.

Question : Is this the first visit of President outside India? SHRI S.M. KHAN: This is the first visit by any President of India to South Africa. But this is President's second visit abroad. Last year, he visited UAE, Sudan and Bulgaria in October. This is his second visit abroad. This is the first ever visit of any President of India to South Africa. In the case of Tanzania, President Venkataraman visited Tanzania.

Question : On the second MoU on waiver of loans given to Tanzania, can you tell us what is the amount?

Dr. P.V. Joshi : The amount is about Rs.40 crore.

Question : South African Ministers were here. Have they finalized these MoUs which you are talking about?

Secretary (West): Yes, they have.

Question : Can you tell us a little more about what the defence issues are? What are the military issues that India and South Africa are going to discuss?

Secretary (West) : I believe there is the purchase of defence equipment.

Dr. P.V. Joshi : We are purchasing 155 mm long-range artillery guns produced by a company called Hennel.

Question : Has that been cleared by the Government?

Dr. P.V. Joshi : Well, it is more or less in the process of being cleared.

Question : Are you signing the agreement?

Dr. P.V. Joshi : No, not now.

Question : What interaction will be there?

Dr. P.V. Joshi : We are not meeting Hennel. This is one of the areas of defence cooperation.

Secretary (West) : This is an ongoing discussion. But our Air Force is conducting joint exercises in South Africa.

Question : In the process of purchase, three companies are involved. Can you tell me if the Government has actually decided which of the three companies …

Official Spokesperson : I think these are matters of detail of defence contracts. This is a briefing on the President's visit. These matters are not discussed at the President's level. So, I will take the next question.

Question : The visit is coming against the backdrop of two important developments which have taken place. One is the institutionalized mechanism of IBSA Dialogue Forum and the other is TEAM-9 Initiative. Will the President carry any message for the South African leadership regarding the upcoming IBSA summit on the UNGA sidelines. Secondly, what about the TEAM-9 initiative? Is it also going to come up for discussion.

Secretary (West): The message on IBSA is going to be that we need to get it off the ground, that it is an idea whose time has come, that we need to give it practical content, and that there are many ways. All this while we were thinking of the ways in which this can be given some meat. Now those ways are being identified. Those ways are: there can be people-to-people contacts, tourism and various sectors and these need to be discussed. So, his message will be, 'Let us now home in on practical suggestions, practical projects, economic projects under IBSA'. That is one message on IBSA. TEAM-9, once again the funding is there, the infrastructure is there but it has to take off once again. Again at his level the message will be an encouragement to come up with projects. And we depend on our African interlocutors to come up with their projects. If they want our assistance in identifying those projects, we can help them.

Question : What about the IBSA Summit on the margins of UNGA?

Secretary (West) : That will be at the Foreign Ministers' level.

Question : Will it be upgraded to the Summit level this time?

Secretary (West): At the moment, only Foreign Ministers.

Question : What is the basis on which these two countries have been selected? Are these countries selected by the President himself? How does it further Indian foreign policy?

Secretary (West) : Sometimes it happens that you have to respond to visits. Then, of course, you pick up your important partners. There are other countries too which are important partners. The Foreign Minister of Senegal was in town yesterday. They have been repeatedly asking for a high level visit. We have other countries which are important to us. But then, with these two countries we have very old relations. With South Africa our relations go back to Gandhiji's time. With Tanzania, we have the Indian community. So, there are linkages which come into play, these linkages specially.

Shri S.M. Khan : This is the mutual consultation between the President and the Ministry of External Affairs and the Government of India. As Madam rightly explained, it is the Focus Africa Policy plus reciprocal visits because all the three Presidents have visited India last year - Tanzania, South Africa and also Zanzibar which is not a separate nation but a part of United Republic of Tanzania. So, it is a reciprocal visit also. Sudanese President has already visited last year.

Question : Which are the other Ministries which are coordinating for President's visit to the educational institutions in Tanzania?

Secretary (West) : The Ministry of Social Justice and Empowerment.

Question : On which date the President is addressing the Joint Session of South African Parliament?

Shri S.M. Khan : On the 16th.

Question : Would that be the last day of his visit?

Shri S.M. Khan : The last day is 17th. On 18th he is traveling back to India.

Question : As regards space technology and defence cooperation with South Africa, what initial ground level work has been conducted?

Dr. P.V. Joshi : Talks have been held between the concerned Ministries. This question needs to be addressed to the concerned Ministries.

Secretary (West) : Some initial talks have taken place. Interest has been expressed. Details, we do not know yet.

Official Spokesperson: You will get more briefings as the visit goes on. There will be regular briefings during the visit. I think there are no further questions. We will thank Mrs. Tripathi, Mr. Khan, and Dr. Joshi for being here. We wish you a comfortable journey.

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283. Acceptance Speech by the President Dr. A.P.J. Abdul Kalam during the State Banquet hosted in his Honour by the President of South Africa.

September 15, 2004.

Your Excellency, Dr. Thabo Mvuyelwa Mbeki,
President of the Republic of South Africa
and Madam Zanele Mbeki,

Excellencies, Ladies and Gentlemen, It is an honour for me to be in this great land, which has deep connections with our history. The Father of our Nation, Mahatma Gandhi began his career on this soil and ultimately experimented and sharpened the principles of non-violence. This great ideology ultimately secured independence for our country and was an inspiration for many anti-colonial movements across the African continent. The struggle of our nations against racism and colonialism was not easy - as the former President Nelson Mandela has said, "There is no easy walk to freedom anywhere, and many of us will have to pass through the valley of the shadow of death again and again before we reach the mountaintop of our desires".

South Africa celebrates a decade of democracy this year. We bring you the greetings of the people and Government of the largest democracy in the world, who share your joy and sense of achievement on this happy

occasion. We know well how precious democracy is and how carefully it has to be nurtured.

The inter-connected histories of our movements for independence are the foundations on which the relations of our two nations are founded upon. India-South Africa relations have become stronger, more broad-based and vibrant in recent years.

Our Strategic partnership should further grow and yield results in many areas.

Mr. President, I am sure that my visit will give further impetus to this dynamic relationship. Our nations have enormous opportunities for mutually beneficial exchanges and cooperation. There are excellent prospectus for technology co-operation between India and South Africa. There are a number of areas in which technical know-how and expertise can be exchanged between our two countries. Among such areas I would like to mention space technology, defence technology, hydrocarbon and oil sector. Our bilateral trade with South Africa is growing rapidly and further there is a scope for setting up joint ventures of India and South Africa. I learn that a joint forum of captains of industries from India and South Africa will be operational in October. We welcome this development and would like to encourage it in every way.

India can offer its expertise and knowledge in agriculture, healthcare, pharmaceuticals, small and medium enterprises, information and communication technology, defence and space technologies just to name a few. There is a large potential to increase our bilateral trade, which currently stands at under one billion dollars.

In the international fora we are closely cooperating in ensuring a level playing field for the developing world. The three-nation initiative between India, Brazil and South Africa (IBSA) has given a new dimension to our relationship and strengthened the framework of South-South Cooperation. This cooperation symbolizes the coming together of vibrant democracies with strong economies with great potentials.

Excellency, before I end, I would like to take this opportunity to convey my greetings and that of my delegation for the warm and friendly hospitality that you have extended. This has further strengthened the deep bonds of friendship between our nations and their peoples.

Excellencies, Ladies and Gentlemen, may I now request you to join me in a toast:

- to the health and happiness of His Excellency President Mbeki and Madam Zanele Mbeki,

- to the continuing friendship and growing cooperation between India and South Africa,

- and to the progress and prosperity of the peoples of our two countries.

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284. Joint press statement issued during the State Visit of President Dr A.P.J. Abdul Kalam to South Africa.

Capetown, September 15, 2004.

1. At the invitation of the President of the Republic of South Africa H.E. Mr. Thabo Mbeki, the President of the Republic of India, H.E. Dr. A. P. J. Abdul Kalam is paying a State visit to the Republic of South Africa from 14 to 18 September 2004.

2. H.E. Dr. Abdul Kalam was warmly received by the South African leadership and people on this first ever visit by an Indian President to South Africa. The visit was described as historic and a reaffirmation of the time-tested relations between the two countries and their peoples.

3. The Presidents of the Republic of South Africa and the Republic of India held extensive talks in an atmosphere of friendship and mutual understanding that traditionally characterise the Indo-South African relationship. New ways of enhancing the strategic partnership between the two countries based on shared democratic values were also explored.

4. The two Sides agreed that the State visit of H.E Dr. Abdul Kalam to South Africa will undoubtedly further consolidate and expand bilateral co-operation in all fields. They agreed on the importance of increasing the frequency of bilateral visits at all levels including by dignitaries, ministers, officials, experts as well as people-to-people contacts.

5. The two Sides also noted the importance of Inter-Parliamentary co-operation and called for the intensification of interaction of bilateral parliamentary exchanges.

6. The two Sides, after taking into account the untapped potential for bilateral co-operation in certain areas, reiterated the need to expand bilateral trade, economic, scientific and technical co-operation. They also noted that the business and scientific circles of both countries should establish direct contacts for the implementation of industrial, scientific and technical projects. With a view to implement cooperation, the South Africa-India Memorandum of Understanding on Information and Communications Technologies will be signed on 15 September 2004.

7. In this context, the importance of the Joint Ministerial Commission, the India-South Africa Commercial Alliance, the India-South Africa Joint Committee for Scientific and Technological Co-operation and the India-South Africa Joint Committee on Defence Co-operation for the development of bilateral ties was reiterated and it was noted with satisfaction that regular meetings were taking place.

8. The two Sides emphasised the significance of strengthening people-to-people contacts. In view of the tremendous contribution that exchanges in the fields of culture, education and tourism can make towards this end; they welcomed the progress in the implementation of the Cultural Exchanges Programme and in mutual promotion of tourism.

9. Views were exchanged on India's vision of evolving into a developed country by 2020 and South Africa's plans for development. Both commended the on-going efforts to realise those lofty goals and the need to share experiences and insights bilaterally.

10. It was agreed that the tripartite IBSA Dialogue Forum, comprising India, Brazil and South Africa, should focus on speedy implementation of the specific projects and ideas contained in the Plan of Action drawn up at the last IBSA Ministerial Joint Commission, held in New Delhi in March 2004 so that the people of the three countries could benefit in a concrete manner from the utilisation of the potential synergies among the members.

11. The two Sides held detailed discussions on regional and international issues of mutual interest, which revealed a close convergence of viewpoints.

Both countries agree on the need to reform the United Nations to make it more effective and truly representative of the contemporary international community. They called for an equitable balance in an expanded Security Council to provide a decisive voice to developing countries so that it becomes more representative and responsive to their needs and aspirations. India and South Africa share the belief that the emerging world order should be just, equitable, multi-polar and based on the principles of democracy, sovereign equality, territorial integrity, non-interference in the internal affairs of states, peaceful settlement of disputes and principles of the United Nations. The two Sides noted the need to continue a high level of interaction and co-operation between South Africa and India at the UN and in other multilateral fora.

12. Furthermore, the need to uphold the principles of International Law, and the provisions of the UN Charter in regard to international relations was reaffirmed. The need to strengthen the role of the UN in the fight against international terrorism, cross-border criminal activity, illegal traffic of narcotics and in resolving other pressing problems of the contemporary world was also stressed.

13. The two Sides condemned the growth of terrorism and religious extremism, which threatens international peace and security. They agreed that every State has the duty to refrain from organising, instigating, assisting or participating in terrorist acts in another State or acquiescing into organised activities within its territory directed towards the commission of such acts, and further agreed that all States must refrain from providing any form of support, active or passive, to entities or persons involved in terrorist acts. In this regard, both Sides stressed the importance of the effective implementation of Security Council Resolution 1373.

14. The two Sides reaffirmed their faith in the Non-aligned Movement and stressed the importance of its revitalisation to address global issues multilaterally such as poverty alleviation, sustainable development, food security, as well as issues of international peace and security. The two Sides noted with satisfaction the progress achieved at the WTO General Council Meeting in Geneva to remove Blockages to the Doha Development Agenda. They commended the increased solidarity among developing countries at the WTO. They also hailed the successful outcome of the XIVth NAM Ministerial Conference, held in Durban in August 2004. The two Sides reiterated their concern at the growing resort to unilateralism and unilaterally

imposed methods and reaffirmed the Movement's commitment to advancing multilateralism as stated in the Durban Declaration on Multilateralism.

15. The Indian Side highly appreciated the constructive policy of the Republic of South Africa as a factor of peace and stability in Africa and its efforts to promote multi-faceted regional co- operation, including through NEPAD, to ensure security and prosperity in the region. The two Sides expressed satisfaction over the positive developments in the continent represented by the establishment of the African Union, with NEPAD as its socio-economic arm. The South African side expressed its appreciation of India's commitment to work closely with Africa in the context of NEPAD, pursuant to the traditional ties of co-operation and solidarity that have always characterised India-Africa relations.

16. The two Sides reaffirmed their support for the Asian-African Sub-Regional Organisations Conference (AASROC) process aimed at forging a New Strategic Partnership between Africa and Asia, incorporating existing initiatives, exchanges of experience and best practices among the countries and sub-regional and regional organisations of Africa and Asia. Both countries expressed their resolve to ensure that this partnership will seek to translate ideas into reality and guide Asia and Africa toward a better future based on their collective self-reliance. Discussions in this regard centred around the existing involvement by India in Africa, including the India Africa Fund and the need to streamline and align these initiatives for coherence and maximum benefit with similar initiatives.

17. On the situation in the Middle East, the two Sides called for an early establishment of a Palestinian State in accordance with relevant UN Security Council Resolutions so as to end the Israeli occupation.

18. The President of the Republic of India, H.E. Dr. Abdul Kalam extended an invitation to the President of the Republic of South Africa H.E. Mr. Thabo Mbeki to pay a State visit to the Republic of India. The invitation was accepted with pleasure. The dates for the visit will be finalised through diplomatic channels.

19. The President of the Republic of India H.E. Dr Abdul Kalam expressed sincere gratitude to the President of the Republic of South Africa for the hospitality afforded the Indian delegation in South Africa.

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285. Memorandum of Understanding between the Government of the Republic of South Africa and the Government of the Republic of India on Co-operation in the Field of Communications and Information Techologies.

Cape Town, September 15, 2004.

Preamble

The Government of the Republic of South Africa and the **Government of the Republic of India** (hereinafter jointly referred as the "Parties" and separately referred to as a "Party");

WISHING to promote co-operation in accordance with the domestic law in force in their respective countries in the field of Information Communication and Technologies (herein referred to as "ICTs") on the basis of equality and mutual benefit;

RECOGNISING the necessity of diverse co-operation in the field of ICTs;

CONSIDERING that the development of ICTs will promote and contribute to bilateral trade and exchange of technologies, as well as the economic and social development of both countries;

DESIRING to facilitate the growth of investments, joint ventures, initiatives, technology development and market in the Information Technology (IT) sector, and

INTENDING to promote and exchange experiences and farther enhance close cooperative relation in lhe field of ICTs;

HEREBY AGREE as follows:

Article 1
Basic Principles

The Parties shall promote closer co-operation and the exchange of information pertaining to ICTs sector in accordance with the domestic law of each country and this Memorandum of Understanding and on the basis of equality, reciprocity and mutual benefit.

Article 2
Scope of Co-operation

The scope of cooperation between the Parties shall include the following areas relating to ICT:

(a) Communications and IT policy regulatoly framework;

(b) E-governance, E-commerce and IT security;

(c) ICT software and IT enabled services;

(d) Human resource development for ICT education, training and exchange of experts, services and information;

(e) research and development in ICT;

(f) co-operation in the provisioning of rural telecommunications;

(g) setting up of joint ventures for manufacturing of ICT products and also joint efforts in project consultancy;

(h) postal and post bank services;

(i) possible transfer to South Africa of application software and adoption of post office software developed by India Post;

j) introduction of electronic certification in India developed by South Africa;

(k) facilitating and organizing trade investment and technology activities through ICT industries' delegation visits.

Article 3
Implementation

In order to implement the scope of co-operation identified in Article 2, an India-South Africa Working Group on Information Technologies and Communication Technology (here in after referred to as "the Working Group") shall be set up to identify and facilitate programmes for the purpose of-

(a) exploring and supporting research and implementation needs in the field of innovation incubation, venture financing and infrastructural development for ICT;

(b) developing skills through exchange programmes and through joint sponsorship of conferences, training programmes and seminars in the field of ICT;

(c) involving, wherever possible, entrepreneurs in each country to foster incubation of start-up companies and setting up joint ventures on hardware and software;

(d) technology development, trade and market development to be undertaken between the Parties;

(e) exchanging technical experts in the fields of ICT and software; and

(f) any other areas of co-operation as may be mutually agreed upon.

Article 4
Working Group

(a) For the purpose of identifying and facilitating programmes under Article 3, the Parties shall designate one or more representatives as members of the Working Group. .The designated representative shall be responsible for seeking any required approval for the conduct of specific co-operative activities from their respective Governments.

(b) The Working Group shall be responsible for implementing the scope of co-operation as set out in Article 2. The Working Group may hold consultations to identify and define future activities under Article 3, review activities in progress or discuss matters related to such matters.

(c) The composition of the Working Group and identification of deliverables for the Working Group should be agreed upon by the Parties before each meeting of the Working Group.

Article 5
Ways of Co-operation

(a) All cooperative activities under Articles 2, 3 and 4 shall be conducted in accordance with the domestic law of each country.

(b) All co-operative activities under Articles 2, 3 and 4 shall be subject to the availability of funds and other resources of the Parties. The Parties in a manner to be mutually agreed upon, shall share the cost of co-operative activities.

Article 6
Intellectual Property Rights

The ownership of the intellectual property rights arising out of, or pursuant to, any Article or activity under this Memorandum of Understanding shall be determined on a case-by-case basis, in accordance with the applicable domestic law and international principles.

Article 7
Release of Information

Neither Party shall disclose nor distribute to any third Party any information transmitted by the other Party in the process of co-operation activities under this Memorandum of Understanding, except as and to the extent authorized in writing to do so by the other Party.

Article 8
Amendments

This Memorandum of Understanding may be amended as may be required from time to time by an Exchange of Notes between the Parties through the diplomatic channel.

Article 9
Dispute Settlement

Any dispute between the Parties arising out of the interpretation or implementation of this Memorandum of Understanding shall be settled amicably through consultation or negotiations between the Parties.

Article 10
Validity

(a) This Memorandum of Understanding shall enter into force on the date of signature thereof.

(b) This Memorandum of Understanding shall remain in force for a period of five years, whereafter it may, by agreement, be extended for a further period of five years.

(c) This Memorandum of Understanding may be terminated at any time by either Party giving six months prior written notice, through the diplomatic channel, to the other Party of its intention to terminate it.

(d) The termination of this Memorandum of Understanding shall not affect cooperative activities under Articles 2 and 3, which are already in progress.

IN WITNESS WHEREOF, the undersigned, being duly authorized hereof by their respective Governments, have signed and sealed this Memorandum of Understanding in. the Hindi and English languages. In the event of diversion in interpretation the English text shall prevail.

Done at Cape Town on this 15th day of September 2004.

Sd/	Sd/
For the Government of the	For the Government of
Republic of South Africa	The Republic of India

✦ ✦ ✦ ✦ ✦

286. Address by President Dr. A. P. J. Abdul Kalam to the Parliament of South Africa.

Cape Town, September 15, 2004.

It is a great honour that you have bestowed on the Government and people of India, and indeed a delight for me, to address this highest forum of this great nation. For South Africa, the election in 1994 marked the end of 342 years of white hegemony; for Africa, it completed the liberation of a continent; for the world, it is the final repudiation of institutionalized racism. I would like to congratulate South Africa for the peaceful conduct of 3rd General Elections and the smooth transition to the new government. The Indian Parliament also had its 14th Lok Sabha elections a few months back where 387 million votes were cast out of an eligible 675 million voters. It is also the first time in the world that in such a massive election "Electronic Voting Machines" were successfully used. The two new governments can work together for the common benefit of the citizens of both the nations' building on the continuity by devising new methods of working together. Our civilizational heritage and value systems will stand us in good stead as we move forward into the future. I assure you that we in India share your feelings and thoughts as close friends. As ancient civilizations, we both are endowed with a wide variety of cultural and ethnic diversity.

I have great pleasure in informing you that I am bringing along with me special greetings to the Parliamentarians of South Africa from both the Houses of Indian Parliament. My Parliament has also extended a cordial invitation to a South African Parliamentary delegation to visit India. I, whole heartedly join them in their sentiments and extend to all of you on my own behalf and on behalf of the entire of people of India, sincere greetings and best wishes.

Common values of two nations

The origin of the human civilization was in Africa. All the other civilizations have evolved from this civilization. This country is rich in its cultural and civilizational heritage. It has multiple languages and varied ethnic culture. India also has a long history of civilizational heritage with multiplicity of languages, religions and ancient cultures. We have attained freedom after a long drawn period of subjugation and non-violent resistance. We have been attempting to preserve our cultural heritage intact all along. Presently, common enemy for both our nations are poverty and disease. Our countries have also got some outstanding islands of excellence in technology and industry. Our task is to network these islands to spread prosperity for all citizens. This is the soil from where our father of the nation Mahatma Gandhi started and innovated on the Ahimsa Dharma movement, which he later took to India. This soil gave birth to Nelson Mandela who provided the leadership for the realization of freedom for South Africa and stands out as a beacon light for the world. One can list more such connectivities. Thus we have many important areas which form a national bondage between the two nations. These characteristics make us natural allies.

Indo-South African friendship

Throughout recorded history, India has always been friendly to all nations and we are happy to be counted among the friends of South Africa. We have never at any time in our past invaded other countries or used destructive force to achieve any end. The hallmark of India throughout the ages has been "All place are our native places and all people our relatives". This is deeply ingrained in the social and political life of India for thousands of years. The India - Brazil - South Africa (IBSA) Forum signed among the three nations connecting Asia, South America and Africa is a valuable tool to further shape our friendship for development of our nations. India-South

Africa friendship and partnership is crucial to this forum as you are nearer to us geographically.

Working together

I am thankful for the privilege of sharing with you and the people of South Africa whom you represent, our experience in our efforts to develop the nation socially and economically over the last fifty years. I do so in a spirit of understanding that we may learn from each other and strengthen our resolve to move our nations ahead to greater prosperity, happiness, and freedom from insecurity in the years ahead. Perhaps as we do so, we shall realize that we have so much in common that we shall wonder why we have not got much more closer together much earlier. Both our nations are free, independent states in an increasingly complex and interdependent world where the values of friendship and mutual assistance are of paramount importance. Now that our banners of freedom are unfurled, by the sacrifice of our political leaders and people, we should contribute towards happiness and peace in the world.

Our aspiration to become a developed nation

I would like to share our experiences with you. India now strives to be a developed nation by 2020. The first vision for the nation was achieving independence from alien rule. We got our Independence in 1947. The independence movement generated various leaders in diverse fields like politics, judiciary, science & technology and industry, arts, literature and philosophy. After Independence, in many areas, improvements also took place like health, literacy, agriculture, strategic areas, certain small and large scale industries. For example, our life expectancy which was 32 years at the time of independence has gone upto 61 years. Thanks to the healthcare and sanitation system in place. No doubt, much more needs to be done. So are the achievements in other sectors, equally impressive. However, in spite of these achievements, even after 50 years we are counted among one of the developing countries. We have many challenges. Nearly 260 million people are still below poverty line and they have to join the mainstream of good life. 100% literacy, health for all, enhanced industrial and agricultural productivity and 10% GDP growth rate are some of our targets. Hence, we need the second vision for the nation to become a developed country. I see from the speeches of leaders and the works of many other intellectuals, that South Africa also has the passion and urge to

become a developed nation at the earliest. You have a higher per capita income than India. I would like to learn more of your vision and thoughts, as it will enrich us. I will share with you some of our own thoughts on our future.

Integrated action for developed India

In order to realize developed India by 2020, five key areas have been identified for an integrated action:]

1. Agriculture and food processing - with a target of 400 million tons per annum of food-grains as well as other with different targets. and agricultural products. Agriculture with the second green revolution and agro food processing would bring food security and prosperity to rural people and speed up the economic growth;

2. Education and Healthcare - aiming to increase the employment potential leading to social security and population control;

3. Infrastructure development including reliable and quality electric power for all parts of the country, which is vital for all the core sectors;

4. Information and Communication Technology is one of our core competencies. It can help industry and commerce, promote education in remote areas, create massive employment and provide health care to remote areas, and

5. Critical technologies and strategic industries - the progress in nuclear, space, ocean, defence and other frontier technologies will provide sustained growth and self-reliance for the nation.

These five areas are closely inter-related and lead to national, food and economic security. A strong partnership among the R&D, academy, industry, business and the community as a whole with the Government departments and agencies will be essential to accomplish the vision. Foreign investors and partners too have an important role to play.

Vision of Developed Nation

While I have shared with you the India's vision for the developed nation by 2020 and its development plan, I am sure we can learn from your vision; the unity of thoughts for the development of South Africa. It is only natural that the two countries should strive to synergize their development

goals and policies. This creates the strong possibility that both nations by 2020 could acquire the capabilities to assist each other and others as well. With the emergence of knowledge society, it is all the more important that friendly countries like us share our expertise and core strengths to speed up our own growth. This partnership in the development of our nations would be a model for other developing and developed nations.

South Africa is globally recognized as a leading supplier of variety of minerals and mineral products that are exported to many countries. Nature has given you some of the largest and richest of minerals. These include gold, platinum group elements, coal and diamonds. Surat in India is a major diamond processing centre and jewelry manufacturing centre. There is perhaps scope for working in the area of diamond processing which will enable further value addition to the diamonds mined in South Africa for sale in the international market. With modern mining and extraction of valuable elements becoming more complex, there would be other areas of joint work possible.

Time bound missions and new joint initiatives will provide integrated solutions for transforming nations into developed countries. Application of science and technology plays a great role in this process of transformation. Both our nations have developed core competence in agriculture, manufacturing, mining, aviation, software products and pharmaceutical products. In addition to natural resources, we have bio-diversity and the large energetic and talented human capital. We both can share these strengths. Value addition to the agricultural, manufacturing and services sector using the core-competence of the nation will enhance the wealth generation capability of nation. After generation of value added competitive products we can have a common marketing philosophy and jointly bid for international products to bring synergy between the two nations.

Dynamics of Technology

A nation has to be alert and sensitive to the changes that take place to the technological fabric of the world and prepare itself for the arrival of newer changes in the horizon well in advance. Those nation which capture technologies, before they become large scale commercial operation, win the race. We believe that nanotechnology would give us an opportunity, if we take appropriate and timely actions, we can become one of the important technological nations in the world. The world market in 2004, for nano

materials, nano tools, nano devices, nano structures and nano biotechnology put together is expected to be over hundred billion dollars.

Nano-Bio medical sensors will play a major role in glucose detection and endoscopic implants drug delivery system and other emerging development `will revolutionize the health-care to a large extent. Molecular switches and circuits along with nano cell will pave the way for the next generation computers. Ultra dense computer memory coupled with excellent electrical performance will give the society low power, low cost, nano size and yet faster assemblies.

Work on these areas would need highly skilled human capital. Active collaboration between our nations will enable us to generate the required technical manpower for our development tasks.

Human Capital

Both India and South Africa are blessed with over 50% population below the age of 25. This is a great strength for our nations. We can convert this human capital into a knowledge capital to harness their energy for transforming our nations into developed nations. This transformation can take place by providing competitive goods and services to the international market. How do we transform our youth into a knowledge capital? We need to have a multi-pronged approach to upgrade the basic education, technical education and higher education levels of all the youth in both our nations; infuse technology and create value added products using our national core-competence and natural resources and promote national and international markets and above all create linkages between education, industry, R&D and the economic system.

Education: We need a strategy for promoting the education level of the entire population in a phased manner. In the first phase we have to increase the number of youth who complete high school education. Simultaneously, we have to increase the percentage of youth who undergo vocational training and diploma level education on professional subjects. Parallely, we have to enhance the number of youth completing university education in professional, science, management, commerce and arts courses. Students who are above High School level can be trained to move up the value chain level through skill enhancement by knowledge based training to meet the global competition in the service sector, manufacturing sector and

agricultural sector. India and South Africa can become partners with each other and share our knowledge in improving the level of education of our primary to higher education. The partnership can be in the form of exchange of teachers, professors and work towards providing universal tele-education model and quality content for students living in remote areas. We also need to impart entrepreneurship training to our youth to make them entrepreneurs who can take challenges and risks to bring prosperity to the nations. We need to create enabling environments for encouraging risk taking by our youth.

Healthcare mission: Various parts of the world are getting affected by HIV/AIDS in addition to other communicable diseases in poorer sections of the society. In addition, most bacteria of traditional communicable diseases are becoming resistant to earlier established medicines. It is time that the national and international agencies join together to mount a concerted programme in eliminating these dreaded diseases from the planet earth. It can be a global mission with international agencies, WHO and both of our countries as partners. India has already ventured into the field of anti-AIDS vaccine and it is in the stage of undergoing various tests. We are also mounting programmes to eradicate the new forms of earlier communicable disease like TB, waterborne & vector borne diseases. Certainly we both can join together and progress the development faster. Another area of cooperation and research is on stem cells for cardio vascular, diabetics and eye ailments.

Connectivities for prosperity

I would like to share with you a unique development issue for India. Nearly 700 million people live in the rural areas in 600,000 villages. Though most of them have strengths of natural resources and skills, they are poorly connected and therefore their economies stagnate in comparison to towns, cities and metropolis. How do we solve this problem? We studied in various aspects. We found that connectivity of village complexes providing economic opportunities to all segments of people is our priority. We have taken measures to bridge the rural-urban divide, generate employment and enhance rural prosperity by addressing the essential needs of the villages such as water, power, road, sanitation, healthcare, education and employment generation.

Essential Connectivities :

The integrated methods, which will bring prosperity to rural India are: the physical connectivity of the village clusters through quality roads and transport; electronic connectivity through tele-communication with high bandwidth fiber optic cables reaching the rural areas from urban cities and through internet kiosks; knowledge connectivity through education, vocational training for farmers, artisans and craftsmen and entrepreneurship programmes; and economic connectivity through starting of enterprises with the help of banks, micro credits and marketing the products. I am sure that the problems of electronic connectivity and the choice of right technology at the right time are common between India and South Africa. Both the nations can embark upon the missions to create indigenous technology and complimentary strengths so that all our networks should run with our own hardware and software.

Employment generation through entrepreneurship:

To prevent migration of workforce from rural to urban areas, employment generation in rural areas should focus on teaching entrepreneurship in educational institutions and providing necessary investment environment for sustainable self-employment instead of looking for employment in the central and state governments. The integrated chain of connectivities (Physical, Electronic, Knowledge and Economic) in a time bound manner along with venture capital funding will generate large scale employment for people in rural areas thus leading to rural prosperity. It would appear from generic considerations of economics and technology, that this model may be applicable for some areas of South Africa and we would be delighted to share our experiences with you.

Law of development:

I was studying the development patterns and the dynamics of connectivity between nations, especially in trade and business. As you all know, the world has a few developed countries and many developing countries. What is the dynamics between them and what connects them? Developed country has to market their products in a competitive way to different countries to remain as developed country. The developing country desires to get transformed into developed country; they too have to market their products in other countries in a competitive way. Competitiveness has

three dimensions: quality of the product, cost effectiveness and supply in time. Indeed this dynamics of competitiveness in marketing of products by developing and developed countries determines the law of development. We have to see our integrated missions for national development in this light. Such missions are first centrally driven or government controller. They have to have a large component of private sector participation and involvements of community.

Conclusion

So far I have discussed about economics, development, technology, business and education. I had touched upon the commonalities of our civilizational heritage. I wish to share some more ideals on the same. Righteousness of the heart of the human being leads to a perfect life of an enlightened citizen. This is beautifully explained in ascent and descent phase of human life by Confucius. He states that "People who desired to have a clear moral harmony in the world, would first order their national life; those who desire to order their national life would first regulate their home life; those who desire to regulate their home life would first cultivate their personal lives; those who desired to cultivate their personal lives set their heart to righteousness, would first make their wills sincere; those who desire to make their wills sincere would first arrive at understanding; understanding comes from the exploration of knowledge of things. When the knowledge of things is gained, then understanding is reached; when understanding is reached, then the will is sincere; when the will is sincere then the heart is righteous; when the heart is righteous then the personal life is cultivated; when the personal life is cultivated, then the home life is regulated; when the home life is regulated, then the national life is orderly; when the national life is orderly then the world is at peace. From the Emperor down to the common man, the cultivation of the righteous life is the foundation for all.

What a beautiful environment I have witnessed today at the South African Parliament. We the people of India are willing to walk with you - a long walk to freedom from poverty.

May God bless you.

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287. Address by President Dr. A. P. J. Abdul Kalam at the inaugural session of the Pan African Parliament, South Africa.

Johannesburg, September 16, 2004.

India and African Union - Partners for Development

Madam President and Honourable Members of the Pan African Parliament,

I am honoured to have been called upon to participate in the opening ceremony of the second Pan African Parliament Session of the African Union. I am delighted to extend my greetings and those of over one billion people of India to the members of this Pan African Parliament which is the largest union of a group of countries who share similar and almost identical political social and economic environment. I consider this union which unites about three thousand distinct national communities speaking about thousand different languages as a harbinger of hope not only for the members of African Union but for the whole world. This is a great example of unity in diversity in action which is the way of life in my country over five millennia.

Focus Africa

"Focus Africa" programme is one of the highest priority items for India. May I share with you my Government's decision towards "Focus Africa"

My Government has taken a special initiative for Africa, pledging $ 200 million in the form of credit line as part of the New Partnership for African Development (NEPAD) Scheme. My Government has also announced a second scheme TEAM-9 initiative with a certain number of African Countries with an outlay of $ 500 million. These initiatives aim at the long-term economic development of certain African countries. Joint task teams have to be formed for mission mode operation to derive maximum benefits in the shortest possible time.

Madam President and Hon'ble Members will agree with me that for India and the African nations, the common enemy is poverty and disease. We must launch technology missions to combat this enemy. As a first step we should embark on a connectivity mission among the nations - Electronic

connectivity and Knowledge connectivity enabling Economic connectivity of the region. For this, we propose a programme to connect all the 53 nations of the African Union by a satellite and Fiber optic network. Apart from providing effective communication and connectivity among the nations, the same link will support tele-education, tele-medicine, e-governance, e-commerce, infotainment, resource mapping and meteorological services. This network will give rural connectivity to the entire Pan-African Union - an effective way to use technology to provide democratic access and empowerment.

Yesterday, I had a discussion with my Prime minister. In honour of Indo - Pan African partnership, our government has decided to provide seamless and integrated satellite, fiber optics and wireless network connecting 53 African countries for tele-education, tele-medicine and e-services. This will connect 5 universities, 53 learning centers; 10 Super specialty hospitals and 53 Patient end locations in rural areas. This will cost about $50 Million dollars for installation, initial operation and maintenance for 3 years. It will be in position within the next three years time and all the African nations participating in this network would be able to reap the full benefits. Pan-African Parliament can form Task teams for speedy and smooth implementation of the programme. We can jointly work together. An Indo- Pan African joint team can make a comprehensive proposal and prepare a road map.

Healthcare mission

Various parts of the world are getting affected by HIV/AIDS in addition to other communicable diseases in poorer sections of the society. It is time that the national and international agencies join together to mount a concerted programme in eliminating these dreaded diseases from the planet earth. India has already ventured into the field of anti-AIDS vaccine. We are also mounting programmes to eradicate the new strains of other communicable diseases like TB and malaria. Certainly India and PAN-African countries can join together and progress the development faster.

Entrepreneurship and Employment generation

Based on our own experience, I would suggest that it is necessary to technologically upgrade small and medium industries for employment generation. In order to achieve this there has to be an all round improvement

in technology, and quality management, skill upgradation for existing and potential employees, and aggressive marketing. In addition we need to make the youth to seek entrepreneurship so that they can be employment generators rather than employment seekers. My government will be willing to work with African countries in this process through programmes for sharing of experiences as well as by encouraging our private sector to become partners in the process.

Conclusion

I have been in this beautiful continent during the last one week. I have enjoyed its natural beauty. I have also gained a lot through sharing of ideas with many personalities. That inspired me to compose a poem entitled "Oh! Human beings connect your hearts!" Let me read this for you:

"Oh! Human beings connect your hearts!"
The ocean connects us,
The waves are our music.
The sky connects us,
The earth and sun give us life
Clouds connect us
Their impregnations give us rain
Everything in the universe connects us
Oh! human beings, why not you connect your hearts

In Africa you have already entered into such a great mission towards unity of minds through this Pan African Parliament. May you succeed in your endeavours.

May God bless you.

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SUDAN

288. Statement by Official Spokesperson on developments in the Darfur region in Western Sudan.

New Delhi, August 12, 2004.

India and Sudan have traditionally enjoyed close and friendly relations. India has been following the developments in the Darfur region in Western Sudan and is encouraged by the steps that the Government of Sudan is taking to normalize the situation in Darfur. The humanitarian situation in the region has naturally been a matter of concern. The Government of India has decided to gift 20,000 tonnes of wheat to the Government of Sudan by way of humanitarian assistance for the people of the Darfur region.

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TANZANIA

289. Agreement between the Government of the Republic of India and the Government of the United Republic of Tanzania on Waiving Tanzania's Outstanding Loans.

Dar-es-Salaam, September 14, 2004.

Whereas, the two Governments desirous to develop further the friendly relations in Economic, Technical and Scientific cooperation (pursuant to the Exchange of Letters dated 17th January 1975 and the Agreed Minutes of the Sixth Session of the Indo- Tanzania Joint Commission held in Dar es Salaam during 25th and 27th April, 2003):

Have hereby agreed as follows:

Article 1

The Governments of India and Tanzania signed the following credit agreements for making available four Government of India Lines of Credit to the Government of Tanzania:

(i) Credit Agreement dated 6.12.1972 for Indian Rupees 50 million

(ii) Credit Agreement dated 12.5.1978 for Indian Rupees 20 million

(iii) Credit Agreement dated 10.6.1979 for Indian Rupees 4 million

(iv) Credit Agreement dated 6.4.1982 for Indian Rupees 100 million

Article 2

The Government of India with a view to assisting the Government of Tanzania in improving its debt sustainability and facilitating better economic relations between India and Tanzania, has decided to waive the entire amount of principal, interest and default interest outstanding in respect of the above mentioned lines of credit to the Borrower.

In WITNESSETH WHEREOF the two Governments hereto acting through their representatives thereunto duly authorized, have caused this Agreement to be signed in their respective names, in two originals each in the Hindi and English languages, both texts being equally authentic. In case of any divergence of interpretation of the agreement the English text shall prevail.

Sd/-
(Hon. Meira Kumar)
Minister for Social Justice and Empowerment

For the Government of the Republic of India
14.09.2004

Sd/-
(Hon. Jakaya M. Kikwete)
Minister for Foreign Affairs and International Cooperation

For the Government of the United Republic of Tanzania

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290. Memorandum of Understanding between the Government of the Republic of India and the Government of the United Republic of Tanzania on Cooperation in Information Technology and Services.

The Government of the Republic of India and **the Government of the United Republic of Tanzania** (hereinafter referred to as "the Parties").

HAVING participated in a number of high technology activities in Information Technology (hereinafter referred to as "IT");

CONSIDERING that both countries, being participants in the provision of technology and services in the IT sector, intend to build up their partnership in the IT sector in a variety of ways;

RECOGNISING the potential for extensive trade between the parties in the IT sector and the need to maximize this potential in a more focused and comprehensive manner;

RECOGNISING further the need to promote co-operation in the IT industry between the parties with a view to leverage capabilities and opportunities on both sides;

DESIRING to facilitate the growth of investments, joint ventures, joint initiatives, technology development and markets in the IT sector; and

INTENDING to implement a technology and industry co-operation programme aimed at fostering business partnerships between both countries;

HAVE REACHED the following understanding:

Article 1
Basic Principles

The Parties hereby confirm their intention to promote closer co-operation and the exchange of information pertaining to the IT sector in accordance with the relevant laws and regulations of each country and this Memorandum of Understanding and on the basis of equality, reciprocity and mutual benefit.

Article 2
Scope of Co-operation

The scope of cooperation between the Parties shall include the following areas relating to IT:

(i) IT software including telecom software;

(ii) IT enabled services;

(iii) E-commerce and Information Security;

(iv) Electronic Governance;

(v) IT and Electronics Hardware;

(vi) HRD for IT education and IT enabled education;

(vii) Research and Development;

(viii) Exploring third country markets;

(ix) Other areas as mutually agreed upon by the parties,

Article 3
Implementation

In order to implement the scope of co-operation identified in Article 2, an India - Tanzania Working Group on Information Technology (hereinafter referred to as "the Working Group") shall be set up to identify and facilitate programmes for the purpose of:

(a) Exploring and supporting research and implementation needs in the fields of innovation incubation, venture financing and infrastructural development for IT;

(b) Developing skills through exchange programmes, and through joint sponsorship of conferences, training programmes and seminars in the field of IT;

(c) involving, wherever possible, entrepreneurs in each country to foster incubation of start-up companies and setting up of joint ventures in IT hardware and software;

(d) Technology development, product trade and market development to be undertaken between the two Parties;

(e) Exchanging technical experts in the field of IT and software; and

(f) Any other areas of co-operation as may be mutually agreed upon.

Article 4
Working Group

1. For the purpose of identifying and facilitating programmes under Article 3, the Parties shall designate one or more representatives as members of the Working Group. The designated representatives shall be responsible for seeking any required approval for the conduct of specific co-operative activities from their respective Governments.

2. The Working Group shall be responsible for implementing the scope of co- operation as set out in Article 2 above. The Working Group may hold consultations to identify and define future activities under Article 3, review activities in progress or discuss matters related to such activities. Where necessary, and by mutual agreement, the Working Group may hold working meetings alternately in Tanzania and India at a mutually agreed time.

3. The composition of the Working Group and identification of key deliverables for the Working Group would be identified and will be agreed by the parties before each meeting of the Working Group.

Article 5
Ways of Co-operation

1. All co-operative activities under Articles 2, 3 and 4 of this Memorandum of Understanding will be conducted in accordance with the applicable laws and regulations of each country.

2. All co-operative activities under Article 2, 3 and 4 of this Memorandum of Understanding will be subject to the availability of funds and other resources of the Parties. The cost of co-operative activities will be shared by the Parties in a manner to be mutually agreed upon.

Article 6
Co-operation between IT Industries

Both sides would encourage agreements for co-operation between

the private sector rr companies and organizations on both sides like the Electronics & Software Export Promotion Council on the Indian side and the IT Promotion Agency on the Tanzanian side.

Article 7
Intellectual Property Rights

The intellectual property rights arise out of or pursuant to any Article or activity under this Memorandum of Understanding the allocation of ownership of these rights shall be determined on a case-by-case basis, in accordance with applicable domestic laws and international principles.

Article 8
Release of information

The Parties confirm that neither Party shall disclose nor distribute to any third country any information transmitted by the other side in the process of co-operative activities under this MOU, except as and to the extent authorized in writing to do so by the other Party.

Article 9
Amendments

This Memorandum of Understanding may be modified or amended as may be required from time to time by mutual written consent of the Parties.

Article 10
Disputes Settlement

Any and all disputes between the Parties concerning the interpretation are implementation of this Memorandum of Understanding shall be settled amic through consultations and/or negotiations between the Parties.

Article 11
Validity

1. This Memorandum of Understanding will come into effect on the dates of its signature and will remain in force for a period of five (5) years thereafter, unless terminated by either Party giving six (6) months prior notice in writing to the other Party;

2 This Memorandum of Understanding may be extended at any time

within the period it remains in force by mutual written consent of the Parties.

3. The termination of this Memorandum of Understanding will not affect co-operative activities under Articles 2 and 3 which are already in progress.

IN WITNESS THEREOF, The undersigned being duly authorized hereof by their respective Ministries, have signed this Memorandum of Understanding on the 14th day of September, two original sets in English.

Sd/-	Sd/-
(Hon. Meira Kumar)	(Hon. Jakaya M. Kikwete)
Minister for Social Justice And Empowerment	Minister for Foreign Affairs and International Cooperation
For the Government of the Republic of India	For the Government of the United Republic of Tanzania

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INDIA'S FOREIGN RELATIONS - 2004

Section - IX
Americas

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CANADA

291. Joint statement issued at the end of the 6th meeting of the India-Canada Joint Working Group on Counter-terrorism.

Ottawa, May 14, 2004.

The Sixth Meeting of the India-Canada Joint Working Group on Counter-terrorism was held on May 13-14, 2004 in Ottawa. The meeting was hosted on the Canadian side by Ruth Archibald, Senior Coordinator for International Crime and Terrorism in the Canadian Ministry of Foreign Affairs and International Trade. The Indian delegation was led by Additional Secretary for International Security and Counter-terrorism in the Ministry of External Affairs Mrs. Meera Shankar. Both delegations included an inter-agency group of counter-terrorism and law enforcement officials.

The two delegations sought to further operationalize the understanding reached of each other's concerns and capabilities since the India-Canada JWG on Counter-terrorism was initiated in 1997. The Sixth Meeting in May 2004 sought to lend specificity to the enlarged mandate given to the group by the External Affairs Minister of India Mr. Yashwant Sinha and the External Affairs Minster of Canada Mr. Bill Graham in September 2002.

The two sides exchanged assessments and information on terrorist challenges currently before the two countries. Information was exchanged about domestic and regional measures taken by both countries to combat terrorism since the last meeting in December 2002. Perspectives were shared on the global fight against terrorism and on measures under the multilateral and UN framework in the field of counter-terrorism. Emphasis was also given to exchange of information in the important area of transport security. The delegations focused on the continuing cooperation between India and Canada in the context of the Kanishka Air India flight 182 prosecution case. The emerging challenges in the area of cyber terrorism and cyber security constituted a key element of the discussions. The focus of the JWG Meeting was to identify ways and means to further strengthen efforts on both side for capacity building vis-à-vis counter-terrorism, bring about effective implementation of steps to curb the financing of terrorism and build on ongoing intelligence and investigation cooperation. The

relevance of border control technologies and management techniques was also discussed.

The next meeting of the India-Canada Joint Working Group on Counter-terrorism will be held on mutually agreed dates in New Delhi.

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UNITED STATES OF AMERICA

292. Statement[1] by Prime Minister Atal Behari Vajpayee on "Next Steps in Strategic Partnership with USA".

New Delhi, January 13, 2004.

"In November 2001, President Bush and I committed our countries to a strategic partnership. Since then, our two countries have strengthened bilateral cooperation significantly in several areas. Today we announce the next steps in implementing our shared vision.

India and the United States of America agree to expand cooperation in three specific areas: civilian nuclear activities, civilian space programmes, and high technology trade. In addition, we agree to expand our dialogue on missile defence. Cooperation in these areas will deepen the ties of commerce and friendship between our two nations, and will increase stability in Asia and beyond.

The proposed cooperation will progress through a series of reciprocal steps that will build on each other. It will include expanded engagement on nuclear regulatory and safety issues and missile defence, ways to enhance cooperation in peaceful uses of space technology, and steps to create the appropriate environment for successful high technology commerce. In order to combat the proliferation of weapons of mass destruction, relevant laws, regulations and procedures will be strengthened, and measures to increase bilateral and international cooperation in this area will be employed. These cooperative efforts will be undertaken in accordance with our respective

1. A similar statement was issued by President of the United States George W. Bush in Washington.

national laws and international obligations.

The expanded cooperation launched today is an important milestone in transforming the relationship between India and the United States of America. That relationship is based increasingly on common values and common interests. We are working together to promote global peace and prosperity. We are partners in the war of terrorism and we are partners in controlling the proliferation of weapons of mass destruction and the means to deliver them.

The vision of the India-US strategic partnership that President Bush and I share is now becoming a reality[1]".

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1. While releasing the statement, the Spokesperson of the MEA answered some questions from the journalists:

Q: Is it true that the United states is actively involved in promoting India – Pakistan dialogue?

A: India discusses major foreign policy issues with friendly countries as part of normal diplomatic interaction. The United States has repeatedly offered its good offices to promote India – Pakistan dialogue. However, on India – Pakistan bilateral issues there has been no scope for any third party role in the past. It is not likely to be there in the future either.

Q: What did Colin Powell mean when he said that he facilitated the talks?

A: Well, I don't know what this statement means. But I have told you our position.

Q: Mr. Sinha is going to visit US. Will there be any discussion on this issue in view of strategic partnership between the two countries?

A: I think this particular statement is the beginning of cooperation in a number of areas, it is not the culmination and we hope to expand this process. As the statement itself will tell you, there is series of reciprocal steps, which the two side will take in actually playing out the shared vision of Prime Minister Vajpayee and President Bush outlined in November 2001 and as and when these reciprocal steps are taken we will let you know. But this is a launching of a cooperation….

Q: Will this agreement be sealed during the forthcoming visit of Mr. Yashwant Sinha to US?

A: The statement and agreement have already been announced by the Prime Minsiter and the President. External Affairs Minister is going to be there on January 19 and will be there for two days. The visit will carry forward the on-going discussions on various issues between the two countries. He will have a meeting with Secretary of State Colin Powell and other US Administration officials.

Q: But the agreement is likey to be signed formally?

A: It has already been announced by the Prime Minister and the President in identical terms.

Q: Is there any particular reasons why the statement was announced today?

A: No, I think the two sides had mutually agreed that the announcement should be made after the holiday season, Christmas and New Year, in the US and it was felt that January 12 or 13 would be an ideal time.

293. Question in the Lok Sabha: "Defence Cooperation with US.".

New Delhi, February 4, 2004.

Will the Minister of External Affairs be pleased to state: -

(a) whether India and the U.S. have pledged to combat terrorism to secure peace in South Asia;

(b) if so, the details thereof;

(c) whether the two countries have chalked out measures to enhance defence cooperation;

(d) if so, the details thereof;

(e) whether the U.S. - India Defence Policy Group have issued any statement in this regard;

(f) if so, the details thereof;

(g) whether U.S. has offered material assistance to India to fight insurgency in Kashmir and North-Eastern region; and

(h) if so, the reaction of the Union Government in this regard?

The Minister of State in the Ministry of External Affairs (Shri Degvijay Singh):

(a) and (b) India and the United States have institutionalised their cooperation to combat international terrorism through a Joint Working Group on Counter-terrorism that has met five times. As part of their counter-terrorism cooperation, the two countries also work together, and with other countries, in the United Nations to promote international efforts to combat terrorism. India has consistently conveyed to the international community that terrorism is a global problem that required a comprehensive international response against terrorism wherever it exists.

(c) and (d) Yes. The defence cooperation is promoted through an elaborate institutional structure of dialogue between the defence establishments of the two countries that includes the Defence Policy Group at the apex level,

and the Military Cooperation Group, the Executive Steering Group of the Army, Air Force and Navy, the Security Cooperation Group, the joint Technical Group and the U.S. Joint Chiefs of Staff and Integrated Defence Staff Dialogue to deal with specific aspects of the cooperation.

(e) and (f) Yes. Following its meeting in Washington DC on August 6-7, 2003, the Defence Policy Group issued a statement that took note of developments in the international strategic environment, highlighted accomplishments of bilateral defence cooperation in the preceding year and approved a range of bilateral defence cooperation activities for the following year.

(g) and (h) No. However, India and the United States have institutionalised a Joint Working Group on Counter-terrorism that provides a forum for an ongoing bilateral dialogue on cooperation in the area of counter-terrorism. As part of this dialogue, the two countries are engaged in capacity building in preventive and protective consequence management aspects of counter-terrorism, as also in intelligence sharing, law-enforcement cooperation and strengthening of international efforts in combating terrorism. The United States has also condemned, on a number of occasions, incidents of terrorism in different parts of the country.

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294. Statement by the Government of India welcoming the statement of US President George W. Bush on major proliferation threats.

New Delhi, February 12, 2004.

"President Bush's statement of February 11 addresses major proliferation threats, which concern the entire international community.

We welcome his emphasis on the imperative of collective action to check WMD proliferation. It is clear that the existing non-proliferation order is inadequate. Recent examples have shown that non-proliferation obligations have not always been treated with adequate seriousness.

We believe that meeting new proliferation challenges requires fresh approaches, pooling together the efforts and resources of the international community. We welcome multilateral consultations between all partners against proliferation on developing an effective framework.

In the January 12/13 statements, Prime Minister Vajpayee and President Bush noted that both our countries are partners in the war against terrorism and partners in controlling the proliferation of weapons of mass destruction and the means to deliver them. We see common interest, as well as expanding cooperation in countering proliferation as a key element in our strategic partnership with USA."

* * * * *

Question: European Union has made a remark today that India, Israel and Pakistan should sign NPT as non-nuclear states. When you talk about new approach to non-proliferation what do you mean? Do you agree to the EU proposal?

Answer: Let's not mix up the two issues. As far as India's position on NPT is concerned it is very clear. We are not signing the treaty. What I meant here is that meeting new proliferation challenges requires fresh thinking and in that context it requires the pooling of the international community's resources and information and that is where multilateral aspect of proliferation control becomes important.

Question: On the non-proliferation issue, given the fact that all these reports have come out of Pakistan, when we talk to the international community on fresh approaches, do we want Pakistan to be treated differently? Would it be treated as a proliferator or how would we look at that?

Answer: I am not going into the specifics. We have a full statement by President Bush which contains several steps which are interesting. We will be examining these in detail. What we have given you today is our reaction on the broad themes of this speech.

Question: You broadly agree with President Bush?

Answer: I think I have given you a full statement. How you interpret that is very clear.

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295. Joint press conference by External Affairs Minister Yashwant Sinha and US Secretary of State Colin Powell.

New Delhi, March 16, 2004.

Official Spokesperson: Good Afternoon Friends. Welcome to the Joint Press Interaction with the External Affairs Minister and the visiting US Secretary of State. As usual, may I request External Affairs Minister Mr. Yashwant Sinha to kindly make his opening remarks.

Mr. Yashwant Sinha : Thank You Navtej. Friends, I am very happy to welcome Secretary of State Colin Powell to Delhi. As you are aware we had extensive discussions in Washington in January when I was there. I am particularly happy that the two of us have got this opportunity to exchange notes once again, exchange views on a number of issues today in our discussions. The main thrust of our discussion today has been further strengthening of our bilateral relationship. As you are aware, I have said this and Secretary Powell has said this on occasions in the past, that India-US relationship today is perhaps the best ever. We are very happy that it is this way. We have the largest area of understanding on all the issues in our bilateral relationship and issues in the region and internationally. Today we

have discussed in the context of our bilateral relationship and further strengthening of this relationship the next steps on what is popularly known as the Quartet issues. We have followed up on the discussions which had taken place earlier. Both sides are very keen that the statement which was issued by President Bush on the 12th of January and Prime Minister of India on the 13th of January should be followed up energetically and expeditiously and we have agreed on a line of approach which will enable us to do that.

We have spent a substantial part of our time discussing the economic relationship between our two countries which includes trade, investment, technology and how we can take it further forward. As you are aware, Under Secretary Larsen is here, who looks after economic relationship in the US State Department. He has had very productive discussions with the Economic Advisor of the Prime Minister, Dr. Narayan. We had an opportunity of going over what they discussed. We have agreed that over the next month or so at the official level further discussions will be carried out. The objective is that at the end of these discussions there should be a clear roadmap with milestones for enhancing and strengthening the economic engagement between India and US and take it further.

The issue of outsourcing also came up. We have agreed that we will remain engaged on this issue, and that we will not allow this or any other issue to create any misunderstandings between us. We have quickly reviewed the regional situation, though, as you are aware, we will be spending more time over a working lunch and discuss these issues further. But I will end my presentation at this point of time by saying that we are very happy that Secretary of State Colin Powell is here. This is a demonstration and a proof of the intense engagement that India and US have had in terms of the vision of President Bush and Prime Minister Vajpayee. At all other levels there have been again very intense contacts and discussions. So, I will end here and hand over to Navtej.

Official Spokesperson : I now request Secretary of State Mr. Colin Powell to make his opening remarks.

Mr. Colin Powell : Thank you very much Mr. Minister. It is a great pleasure to be back in New Delhi and to have the opportunity once again to exchange views with you. Unlike my previous visits to New Delhi since I became Secretary of State, this visit would be focussed almost exclusively on our

bilateral relationship. I certainly agree with you that the United States and India are enjoying perhaps the best relationship as existed between our two great democracies in many many years, if not in history. I am pleased that the dialogue is so open and so candid on all of the outstanding issues and all aspects of our agenda. As you noted we had a good discussion on Next Steps in our Strategic Partnership. We are going to follow up with further meetings and discussions as to how to move NSSP, as it is called, along. The bulk of our discussions, as the Minister noted, was on economic issues, as it should be, because there are great opportunities for both Americans and Indians to work together to improve trade, to make sure that we are improving trade-related benefits to both of our people. We have some new ideas that we are going to pursue. As the Minister mentioned, Under Secretary Larsen has been here and in the near future we will engage with the Indian side on how to move forward on reform to make more opportunities available to American businessmen.

The issue of outsourcing was discussed. Outsourcing is a reality of the 21st century global environment; both outsourcing and insourcing. While we have outsourced some jobs and positions to India, there are opportunities for Americans as well to service Indian needs. We hope that India understands the need for reform so that we can have more opportunities here. Outsourcing invariably does result in the loss of jobs. We have to do a better job in the United States to give jobs in the United States, of creating opportunities in the United States to provide more jobs so that those who have lost jobs will have opportunities in the future. But it is a reality of 21st century international economics that these kinds of dislocations will take place. What we have to do is to work to minimize these dislocations and provide new opportunities for workers. This is a major issue that we will be focusing on in the months ahead.

I am also pleased that our military-to-military relationship is thriving. That can be seen in the kinds of exercises we are participating in, with our Navy and with other aspects and elements of our military forces.

We did discuss the regional situation. I am pleased that India and Pakistan are moving ahead with the framework that was laid down between President Musharraf and Prime Minister Vajpayee in January. I also expressed my appreciation to my Indian colleague for the support they have provided to rebuilding of Afghanistan, the very significant financial contribution that India has made, as well as their contribution to our efforts

to reconstruct Iraq with the donation that was made at the Madrid Conference not too long ago.

So, our agenda is a rich one, it is a full one. We will be continuing our discussions over lunch. Mr. Minister, let me just close by saying I appreciate very much your ability to see me today knowing that you had a very busy period of election work and then you will be departing immediately after the meetings to go back to your constituency to continue the important work of democracy.

Thank you very much, Mr. Minister.

Question (Associated Press): Mr. Secretary, you made a passing reference to India and Pakistan moving ahead with the January agreement. Could you be more specific about the ways in which they are moving ahead with specific reference to Pakistan's pledge to dismantle the training camps used to infiltrate militants into Kashmir?

Mr. Colin Powell : As you know, there were eight baskets to the comprehensive dialogue or agreement that the Pakistanis and the Indians entered into. One essential element of this is that there should be an end of cross-border violence and I believe that activity across the Line of Control has gone down significantly. I hope it stays that way. Everybody, of course, would be watching as the spring season approaches, to see that it stays that way. I am pleased that commitments have been made to go after these camps. I will be talking to President Musharraf about this matter when I see him in the next leg of my trip. I think it is important that this kind of activity (should) not only be something for the winter season but it really has to be of a more permanent nature in order for us to see the kind of progress that we are hoping for.

Question (*The Hindu*) : Secretary of State, my question relates to the comments you have made on your way to India in which you have referred to the fact that you have under consideration the possible sale of F-16s to Pakistan. As I understand it, the economic package that you are offering to Pakistan initially did not include F-16s. Is there a change of thinking or approach about providing F-16s to Pakistan now?

Mr. Colin Powell : The economic package with respect to Pakistan includes debt relief which has eliminated about 50 per cent of the debt that they owe

to the United States and a 3 billion Dollar aid package. That package, as the President presented it last fall, did not include any F-16s. My comment (while) coming over here was that we have to take into consideration any request that was made of us. But no decisions have been made with respect to any particular military package, especially F-16s.

Question (Reuters) : Mr. Secretary, did you get any actual hard assurances from the Foreign Minister regarding India's actually putting into place export controls so that you can proceed with the kinds of cooperation you have discussed about nuclear energy, space, high technology, and so on? Did you get any commitments in terms of Indian market opening to perhaps attenuate some of the anxieties in the United States about outsourcing? Mr. Minister, if you wish to address that also.

Mr. Colin Powell : On the NSSP which deals with this, we did have preliminary discussion and we will have more discussions in the course of the day on Phase-1 actions under the NSSP. As you know, Phase-1 substantively calls for export controls and other efforts to be made on the part of the Indians. The plan is a very comprehensive one. It is well laid out. I think it speaks for itself as to what the obligations of both parties are with respect to it.

On market opening, yes, we talked about the desire on the part of the United States to see greater opportunities in India. We hope that as we move forward, as both the Minister and I mentioned earlier, Under Secretary Larsen was here to discuss these items and we hope, as we move forward, we can lay out some of the issues of interest to us, whether it has to do with Foreign Direct Investment, or it has to do with the reform of practices, easing bureaucratic obstacles to entering into Indian markets, and a variety of other issues that trading partners discuss with each other.

Mr. Yashwant Sinha : I think I should respond to this question also though you addressed it to Secretary Powell. I would like to say that liberalization including opening up of the Indian market is a process that we have followed through our reform years for over a decade. This is a process that we are determined to move forward because this is a process which is in the interest of India. It is in the interest of India to integrate with the rest of the global economy and, therefore, autonomously we are following that path. It should not be seen in the context of pressures and counter-pressures. That is why I took the floor to make that point clear.

Question (*The Times of India*): Mr. Secretary, I was worrying whether the issue of non-proliferation came up in your discussions, in particular some of the proposals that President Bush made in his speech last month. Is the United States keen to see India sign the Additional Protocol to the NPT even though it is not a signatory, something like Cuba did it before it signed the treaty? Secondly, there is some confusion among the media at least as to what is the level of discussion between US and India regarding India joining or working with the Proliferation Security Initiative. I wonder exactly what proposals are on the table.

Mr. Colin Powell : We had a good discussion of this. We would like to see India participate in the Proliferation Security Initiative. We decided that we would have our staffs engage on this with respect to understanding of the interdiction principles associated with PSI and how India might contribute to it. So, we are going to increase the dialogue with respect to possible Indian participation.

Mr. Yashwant Sinha : We had a discussion on proliferation or non-proliferation and I think there is a shared concern about the nuclear black market that has existed and the danger of nuclear devices falling in the wrong hands, in the hands of non-state actors or terrorists. This is a shared concern. We also had a discussion on the Proliferation Security Initiative and as Secretary Powell mentioned to you we have decided that we will discuss it in greater depth at the level of officials of the two countries with a view to finding out how India could engage in this full process.

Question (*The Times of India*): on the Additional Protocol…

Mr. Colin Powell & Mr. Yashwant Sinha : No, that did not come up.

Question (*Financial Times*) :You had said in the context of your discussion on outsourcing that this is a two-way street and that you would like to see India opening up its economy more as well. Is there an implied link there between restraint on your part in terms of maintaining a liberal regime and progress from India in opening up its economy?

Mr. Colin Powell : No, none whatsoever. There is no *quid pro quo* here. When you put in place the internet system and when you put in place broadband capabilities where information and services can be moved around the world and connected to other parts of the world with the speed

of light, that is something that is now a natural progression and people are going to take advantage of that kind of capability. That gives you the kind of outsourcing that we have seen here. We have also seen outsourcing of jobs in the United States to Mexico, China and to other parts of the world as the global world develops. What we have to do, and what we are doing is making sure that those services that we can provide to the rest of the world, that is so valuable to the rest of the world and that only United States can provide, we should focus on those and make sure that we are training our young people for those kinds of jobs. At the same time we hope that there will be trading opportunities in other parts of the world so that United States can offset the kinds of losses that we get when we outsource jobs to other parts of the world. So, this is the way in which the world is developing but in our discussions today no way did we suggest that openness is some sort of *quid pro quo* for outsourcing. In fact, quite the contrary we believe that reform and openness benefits both nations independent of what position we might have on outsourcing.

Question (*Financial Times*) : on the specific issue of federal law…

Mr. Colin Powell : You mean the law that was passed? Well, we do have a law that deals with treasury and transportation. And, of course, we will have to follow the law that was passed by the Congress. But we also need to do a better job of educating our populations on the nature of global environment.

Question (*Navbharat Times*) : Many reports have appeared in the US and world media on the role played by various Pakistani regimes, including the present one, in nuclear proliferation. Is the United States Administration still not convinced with the role played by Pakistan as a nation in the spread of WMD technology?

Mr. Colin Powell : We certainly know the role played by Dr. Khan. We have been aware of this role for sometime. We had intelligence information concerning Dr. Khan, the network, and how that network extended to other parts of the world. We are pleased now that Dr. Khan has acknowledged what he has done and we are pleased that we are getting a great deal of information from Pakistani authorities as a result of their interrogation of Dr. Khan and Dr. Khan's associates. We are pleased now that that network is being broken up and we are learning more about it. We learnt more about it when the Libyans decided that they should get rid of their Weapons of

Mass Destruction. With respect to who else was involved in that network, if anyone within past Pakistani governments or anything that might be taking place of a contemporary nature, I will speak to President Musharraf about this. I am confident that he is determined, as we all should be, to get to the heart of this, to make sure that there is no residual element of this network left. There is much more work to be done but I think we have had a real breakthrough with what Dr. Khan has acknowledged and our ability to roll up different parts of the network. But we cannot be satisfied until the entire network is gone, branch and root.

Official Spokesperson : Thank you, Your Excellencies.

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296. Statement by Official Spokesperson on US announcement of March 18 in Islamabad declaring Pakistan as a major non-NATO ally.

New Delhi, March 20, 2004.

Pelase see Document No. 123

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297. Speech by Foreign Secretary Shashank at the Indo-American Chamber of Commerce.

New Delhi, April 6, 2004.

Possibilities in India-U.S. Economic Cooperation

It is a great pleasure to be here today. Yours is an association that focuses on deepening ties of trade and commerce with India's largest economic partner. The United States is the dominant economic partner, accounting for nearly one-fifth of our exports, 6% of our imports, over three-fifths of our information technology exports, 16% of cumulative foreign direct investments since 1991 and about half of foreign portfolio investments in India. Therefore, your activities and endeavours have an important bearing on India's external economy.

The past three-four years have witnessed a qualitative transformation in India-U.S relations. However, there is a widespread view that bilateral economic relations have not kept pace with the growth in our political, defense and strategic engagement, and, in any case, India-U.S. economic ties are nowhere near their perceived potential. At a macro level, and especially in comparison with some other countries, this is, indeed, true. The view stems from the fact that the world's largest economy and the world's second most populous nation have bilateral trade in goods of about U.S.$ 18 billion, trade in services of about U.S.$ 8-10 billion and U.S. direct and portfolio investments that generally does not exceed U.S. $ 1.0 to 1.5 billion annually.

There are, however, encouraging signs. One, India has generally maintained double-digit growth in merchandise exports to the United states-12.5% per year over the last five years. In 2002, India's exports to the United States grew 21.4% and came close behind the 22.4% growth in China's exports. In 2003, however, the growth was a more modest 11%. Although strengthening of rupee against the dollar would naturally raise concerns among Indian exporters, I believe that they will overcome the challenge through innovation, quality, efficiency and appropriate marketing strategies.

After several years of sluggish growth, U.S. exports to India grew 9.1% in 2002, against a decline of 4.9% in U.S. exports worldwide, and saw a sharp increase of about 22% in 2003. A more competitive dollar and

a strong investment climate in India have contributed to the recent surge in U.S. exports to India. Since trade does depend on the state of the economy, we expect that as the U.S. economic recovery accelerates, and as the Indian economy moves on to a higher growth trajectory. We will see robust growth in India-U.S. economic relations.

The second positive feature is that India-U.S. economic-relations are being driven more and more by the wealth and value generating industries of the future – the services and knowledge- intensive industries. High growth in software and services exports from India to the United States is also creating opportunities for U.S. hardware and software companies in India besides a range of consumer goods and services. The success in the software sector is being replicated in Business Process Outsourcing and in research and development facilities, with over 100 major U.S. corporations having set up R&D laboratories in India. Growth in our merchandise exports to the United States is increasingly on account of industries such as pharmaceuticals, chemicals and machinery.

Let me say a few words at this stage on business process outsourcing. Outsourcing has always been an integral part of business processes. Overseas outsourcing is an inescapable reality of globalisation. As in the manufacturing sector, technology has made possible the development of a global supply chain in services. This phenomenon will continue to grow and cannot be curbed. Experts see a win-win situation in the cross-border distribution of business processes for economies and businesses around the world.

The third aspect is that at the micro –level there are many powerful examples of excellent and very successful American investments and India-US joint venture in possibly every sector of business. These successful enterprises in India form a nucleus of excellence, which will expand into a more broad-based relationship between Indian and US firms.

Fourth, perceptions are important in the business world as elsewhere. Today India is associated with skills, quality, creativity and efficiency in the United States. This is increasingly enabling Indian businesses to move up the value chain in their exports to the Unites States. Coupled with this is the welcome development of Indian firms beginning to invest in the United States, as they seek greater presence and value addition in the U.S. markets. In recent years foreign investment outflows from India have been about

U.S. $ 1.0 billion, and the United States has been among the leading recipient of Indian investments.

Five, opportunities for growth in traditional and new sectors are constantly expanding. The end of the quota regime in textiles could potentially benefit Indian industry immensely. We see strong opportunities in sectors such as biotechnology, pharmaceuticals, tele-medicine and healthcare, environmental technology, nano-technology, defense technology, space applications, to name a few. From the perspective of U.S. firms, new markets are constantly opening up in India. After the banking, insurance and securities markets, there would be new opportunities in the potentially large pensions market.

Although India-U.S economic relations are largely shaped by the industry in both counties, the two governments recognize that strengthening these ties are important for their shared objective of transforming bilateral relations and building a strategic partnership. During the recent visit of Secretary of State Colin Powell to Delhi, economic relations constituted a major theme of discussions. In November 2001, Prime Minister and President Bush agreed on a new Bilateral Economic Dialogue Architecture, comprising live components – dialogues on finance and investment; trade policy; commerce; energy and environment. Within the framework of dialogue on commerce, the two governments have a special focus on infrastructure and knowledge based industries. The two governments have also established a bilateral High Technology Cooperation Group to enhance high technology commerce, including trade in 'dual use' goods and technologies, or what is referred to as strategic trade. The private sector is also an integral part of this Group as well.

Over the years, the direction of India's trade has diversified. Our economic initiatives and focus are becoming more pluralistic. However, traditional economic partners like the United States will always be very important in our external trade relations. We do believe that the moment has arrived for strong growth in our economic ties with the United States. And, the growing ties of commerce and investments, the expanding web of cyber linkages, against the backdrop of common commitment to democracy, will bind our two countries into a close relationship of shared prosperity and political understanding.

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298. Remarks by External Affairs Minister K. Natwar Singh to the press after his meeting with the US Secretary of State.

Washington, June 10, 2004.

I have come to represent the Government of India on this sad occasion. The passing away of President Ronald Reagan has been widely mourned in India. President Reagan played an important role in strengthening Indo-US relations. He and Mrs. Reagan received with great warmth Prime Minister Mrs. Indira Gandhi during her visit to Washington in 1982. Prime Minister Rajiv Gandhi and Mrs. Sonia Gandhi counted the President and Mrs. Reagan among their friends. I personally had the honour of being received by President Reagan at the White House on two occasions and have always cherished that memory. In his passing away India has lost a steadfast friend, the United States an inspiring leader, the world an outstanding statesman.

My visit also comes at a time when India and United States are witnessing a period of close engagement in our bilateral relations. Our relations have expanded in scope and depth and my Government is determined to work closely with the US Administration to take this partnership forward in all areas. Both our countries have clear commonalities in shaping a democratic and pluralistic world order, free of terrorism.

I have just had the privilege of meeting the Honorable Secretary of State Colin Powell. Our talks covered a wide range of issues. I was very happy to learn from him that the United States is as committed as we are to strengthening our relations. We took this opportunity to dwell on bilateral issues and on global issues of mutual concern. We have discussed these in an open, friendly and frank manner. I am confident that in days to come, the pace and quality of our interactions will yield mutually beneficial outcomes.

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299. Joint press conference by External Affairs Minister K. Natwar Singh and US Secretary of State Colin Powell.

Washington, June 6, 2004

Secretary Powell : Well, good afternoon, ladies and gentlemen. I've just had a delightful conversation with my new colleague, Natwar Singh, the Minister of External Affairs of India. He is reminding me on the way out the door of our first meeting some 17 years ago when I was National Security Advisor and we were talking about President Reagan. And I am very honored that the Minister is here to participate in the memorial service for President Reagan tomorrow and it gave me the opportunity to have a good first meeting with him.

Every occasion on which I've visited India over the last several years, some three times, I believe, I did have a chance to meet with Mrs. Gandhi, and Natwar was always present at those meetings, as was the Prime Minister. So we know each other and we look forward to working with each other.

In our meeting just now, we discussed the full range of bilateral and regional issues. But I would just say the most important issue we touched on was the fact that the United States and India have a very good, strong relationship right now and we intend to not only keep it strong but to build on that relationship, to move forward.

The Minister said to me that he planned to move very, very fast, and I said I would do my best to keep up with him, because it is in the interest of the American people and the people of India that we move forward on our economic relationship, our security relationship, and we stay in close touch with one another as we work on regional problems.

And so, Natwar, it's a great pleasure to have you here. I thank you for coming to represent your government and I invite you to say a few words.

Minister Singh : Thank you, Secretary of State. I wish I had come here on another occasion and not so sad an occasion as I have to represent the Government of India at the funeral of a President who was greatly admired and loved in India. An odd quirk of history, I was in Washington for the funeral of President John F. Kennedy in 1963.

As the Secretary said, we had a very frank, wide-ranging, lively, occasionally amusing discussion on every single aspect of our relationship. I have also informed him about the change of government in India and that we intend to continue the policies that we have followed for 57 years. There has been a broad national consensus on India's foreign policy. That will continue. And we've hit the road running and I continue to do so. And since the Secretary of State is ten years younger than me, I'll have to run very hard.

We also discussed the situation in various parts of the world and how it affected them and how it affected us, and there was broad agreement except for on one or two areas. And with your permission, sir, since it is my first visit, I don't really want to put my foot into it and I'll leave it out.

I have come to represent the Government of India on this sad occasion. The passing away of President Ronald Reagan has been widely mourned in India. President Reagan played an important role in strengthening Indo-U.S. relations. He and Mrs. Reagan received with great form Prime Minister Indira Gandhi during her visit to Washington in 1982. Prime Minister Rajiv Gandhi and Mrs. Sonia Gandhi counted President and Mrs. Reagan among their friends. I personally had the honor of being received by the President at the White House on two occasions and have always cherished the memory. In his passing away, India has lost a steadfast friend, the United States an inspiring leader, the world an outstanding statesman.

My visit also comes at a time when India and United States are witnessing a period of close engagement in our bilateral relations. Our relations are expanded in scope and depth and my government is determined to work closely with the U.S. Administration to take this partnership forward in all areas. Both our countries have clear commonalities in shaping a democratic and pluralistic world order free of terrorism.

Finally, the Prime Minister and my colleagues in the cabinet and Mrs. Sonia Gandhi, who is the Chairperson of the Steering Committee of the United Alliance, have sent their condolences and have also conveyed their good wishes to you.

To, Mr. Secretary.

Secretary Powell : Thank you, Mr. Minister.

Question : Mr. Secretary, India has strongly endorsed the recently passed UN resolution on Iraq. Did you bring up the introduction of Indian — did you request the introduction of Indian peacekeeping forces to Iraq?

And, Mr. Minister, now that the UN resolution has been passed, will you consider providing such troops under the UN umbrella?

Secretary Powell : We are very pleased that the Indian Government showed such strong support for the resolution. And as you know, there are a number of requests out for support to the multinational force effort and we did talk about it, but I would yield to the Minister for what he would care to say about the conversation or the deliberations that are taking place within the Indian Government.

Minister Singh : Well, as you know, we have been following events in Iraq with very great interest. And we are delighted that the United States and the United Kingdom tabled a resolution in the Security Council which has been unanimously adopted. That's a welcome step and we have always been in favor of the United Nations being involved in a central responsibility along with their friends and other members of the Security Council.

With regard to the question you asked about the Indian troops, nobody has asked us. We'll look at the resolution very minutely. We are not in the Security Council. And we'll take a decision when the time comes.

Question : Mr. Secretary, given the fact that we now know there was a spike in terrorist activity in 2003, can the Administration credibly claim that the war on terrorism is being won?

Secretary Powell : As you know, the terrorism report that you're making a reference to, we found errors in it and those errors will be corrected. And it reflects an intensity of activity and we'll see what the corrected report looks like.

Nobody has suggested that the war on terrorism has been won; quite the contrary, the President has made it clear that it is a war that continues and that we have to redouble our efforts, and that's why we're working with all of our friends around the world on law enforcement activities, on intelligence exchanges, on military action when it comes to it, and certainly police action, to go after terrorists.

And our goal with respect to reports such as the report you're making reference to, our annual terrorism report, is to give the American people the facts. And we are rechecking those facts and I think I will wait until I see the revised report before making any comment on the trends that are reflected in the revised report from last year's report.

Minister Singh : Just one second, if I might just go back on the resolution on Iraq. We are a coalition government so the matter will have to be discussed by the government and by the cabinet committee on security. There is a resolution of the last parliament on this issue in which we had given our opinion that we were against sending troops to Iraq. Now the situation is changed. There is a resolution unanimously passed in United Nations and there are Arab members in it. We'll look at it very carefully. But I must emphasize that this matter will have to be placed before the government at the highest levels so it would be premature for me to say yea or nay.[1]

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1. The principal party in the ruling United Progressive Alliance, the Congress Party said on June 11 that there was neither a proposal (from the United States) nor any consideration for sending troops to Iraq. The Congress Party's Spokesperson Anand Sharma's clarification was in response to a question on the External Affairs Minister's reported remarks on the subject. Mr. Sharma said that India's stand of a central role for the United Nations in Iraq was vindicated by the adoption of the latest UN Security Council resolution. He said that India remains committed to the political and economic reconstruction and rehabilitation of Iraq and to do anything possible for it. Asked whether sending troops could also come under it, Mr. Sharma shot back stating: reconstruction does not mean that".
   On June 12 EAM issued a statement in Washington elaborating Indian position on Iraq. He said:
   * The question of sending Indian troops to Iraq does not arise.
   * Government's position on this issue is based on national consensus, reflected in our parliamentary resolution.
   - No request has been made for sending Indian troops.
   - We welcome adoption of UN Security Council resolution as a first step in restoring sovereignty to the Iraqi people, leading to stability and reconstruction.
   - We will keep the developments in Iraq under close review. All decisions will be taken by the Government in close consultation with all the UPA members.

   At the press conference held at the Indian Embassy in Washington External Affairs Minister stressed that the reference he had made to Iraq had to do with the UN resolution, which is a "very complicated, delicate and sensitive issue, and one that brings the world body to a central role in that country. So when I said 'we will have a fresh look' it had nothing to do with troops at all. It was the text of the Resolution. Nobody has asked us for troops and I think no other country has been asked." So "the spin" given to what he said was "unfortunate". He added that he "had been an opponent of sending Indian troops to Iraq. And I had a role to play in the unanimous resolution that was passed by both Houses of Parliament that names India's policy. So there should have been no room for misunderstanding". His reference to the UN Resolution was very specific in that it had to do with the United Kingdom and the United States, which had previously bypassed the Security Council. They had now gone

Question : As far as terrorism is concerned, as we speak now, Mr. Secretary, terrorism in Kashmir still goes on, as you have been saying in the past that General Musharraf made many promises to you. Terrorism went down, you said, last year and several months ago. But it has gone up now, even on the first day of the new government in India.

And secondly, how you think you will have interaction with the new government, because you never expected, I believe, that BJP or Atal Bihari Vajpayee will lose or that this new government will come in power? How will you interact with the new government as far as many issues that we have been working on?

Secretary Powell : With respect to the first question, I think we have seen that the rate has gone down and we continue to monitor that rate and we continue to express our concern about the infrastructure that remains behind.

With respect to the new government, the people of India have spoken. India is a great democracy and we will work with the government that people of India have selected. And we have demonstrated, I think, out here today that will be a warm, productive relationship that is intended to move us forward and to build an even stronger relationship with India.

We don't place bets on elections. I've learned that long ago. And we will now support the government and work with the government that the Indian people have decided upon.

One more, then I think we have to go.

Question : Mr. Secretary.

Secretary Powell : Yes.

Question : The United States — it has emerged that the United States is investigating whether or not Libya was — had a plot to actually assassinate Crown Prince Abdullah. Given that you're investigating this, does it mean that you still think you can trust Colonel Qadhafi?

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through the Security Council.
Taking several questions from the media, EAM said "I want to raise the level of our national dialogue and when I am outside the country I don't what to criticize any colleagues in the Opposition".

Secretary Powell : Well, as you said, we are looking into this matter. I don't know, really, what the facts are or the truths of the matter are, and it would be premature to make a judgment.

Mr. Qadhafi knows what is expected of his government with respect to terrorist activities. A roadmap has been put out there that is well understood by the Libyan Government and certainly by us. And so let's keep looking into this matter to see what we can learn of it and see where the truth lies before making a judgment as to what it means.

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300. Press briefing by Official Spokesperson on the visit of US Deputy Secretary of State Richard Armitage.

New Delhi, July 14, 2004.

Official Spokesperson:

The … visit, of course, is the visit of Mr. Richard Armitage, Deputy Secretary of State. As you know he arrived yesterday. This is the first visit at the broad policy level from the United States after the assumption of office by the new government in India. He held talks today with Mr. J.N. Dixit, National Security Advisor as well as with Mr. Shashank, Foreign Secretary. He thereafter called on the Prime Minister and External Affairs Minister, Mr. Natwar Singh and on Raksha Mantri. He also paid a courtesy call on the leader of Opposition. National Security Advisor hosted a lunch in his honour.

The purpose of the visit and the discussions is renewal of the commitment to maintain the momentum of the bilateral relationship between India and the United States. It also provided an opportunity of going beyond the purely bilateral framework and discuss regional issues and concerns. Naturally, some international issues of concern also came up and were addressed during the discussions. To be a little more specific, the entire dialogue architecture of India-US relations, which comprises dialogue in various areas, was discussed. We expressed our keenness to engage across this entire range in an expeditious manner. This was a feeling which was reciprocated. The interlocutors from the American side were very receptive to the ideas and to the possibilities of holding more meetings in

the near future.

In particular, the NSSP i.e. Next Steps in Strategic Partnership found place in the discussions. Among the regional and international issues discussed were the recent developments in South Asia - India-Pak relations, Iraq, Afghanistan as well as other countries in South Asia and our neighbourhood - Sri Lanka, Nepal, Bangladesh. These are the issues that were touched upon in the various meetings – I am not going to go into specifics as to what was discussed in which meeting. These were the broad themes that the discussions followed. If there is any specific detail that I can provide or share on these issues, I will try my best.

Question: NSSP –What was discussed?

Answer: The idea was to find ways and means of early implementation of NSSP. Both sides agreed that visible progress in this field – which is a very important field – would invigorate the bilateral relationship. Now we will be looking at ways and means of making this possible.

Question: We have been looking at ways and means for making visible progress on NSSP for a while now…

Answer: Naturally, these are complex issues but an opportunity like this when Mr. Armitage visits here and meets people on our side and we have a frank and good exchange of views then I think certainly the possibilities of moving forward increase and we certainly hope they will.

Question: Is Missile Defence one of the issues being discussed between India and US?

Answer: You know there are several issues, you have the quartet issues. So, if you are asking me if that forms part of the bilateral dialogue architecture then yes it does.

Question: You have mentioned Iraq – what was the conversation?

Answer: The situation - the ground situation in Iraq particularly after the UN Security Council Resolution 1546 and the transfer of power in Baghdad was discussed. We exchanged our perceptions and assessments on this most significant issue that is facing the international community today. We highlighted India's traditionally close relationship with the people of Iraq and with Iraq and also our position on the UN Security Council Resolution,

which we have welcomed as the first step towards restoration of full sovereignty to the Iraqi people. We underlined our concerns for sovereignty, independence and territorial integrity of Iraq. We reiterated our willingness to assist in the reconstruction process in a manner that is acceptable to the people of India and to the Parliament.

Question: But our people could get killed …(inaudible)?

Answer: Naturally, the ground realities – the security realities are a major factor that go into how quickly you can proceed into the reconstruction phase. One of the requirements is restoration of security, restoration of stability and restoration of the way of life of the Iraqi people.

Question: This is the first visit by a major US functionary ever since the US formally designated Pakistan as a Major Non-NATO Ally. Did we raise this issue during the talks. Did we tell Mr. Armitage that Pakistan is not a sincere ally in the war against terror?

Answer: There are several questions there but I think I will restrict myself to your first question, which I understand is the basic point of curiosity. I think that matter has been taken up before. We have already given a reaction on that issue. I do not have that as a specific point in the readout that I have from the talks. That is a matter on which we have already said something right from here.

Question: There are some indications that Pakistan might send troops to Iraq. Did Mr. Armitage refer to that at all during the discussions? What would be our reaction if Pakistan was to send troops?

Answer: It is not for me to respond to those indications and the rest of it is quite speculative.

Question: How can India contribute to reconstruction in Iraq?

Answer: We have already committed ourselves to reconstruction in various ways at the Madrid Donors' Conference. We can go back and check for the exact details and the areas on which we have committed – education, health, food, etc. Those are the areas in which we are willing to assist and if there is a greater role for reconstruction we have expressed our will to be a part of the reconstruction effort for the people of Iraq.

Question: Did we make any concrete proposals as to how we can assist in the reconstruction in Iraq?

Answer: I do not think this was just one of the issues discussed in these meetings so I do not think these were the meetings in which we could go into details of that. What was reiterated was our willingness to assist in the reconstruction of Iraq in a manner which is acceptable to the Indian people, and we have said that before. We have specified areas that we can easily and quickly move into, once the conditions are right.

Question: Was the issue of LoC fencing discussed with PM or EAM?
Answer: I am not aware that it was discussed with either.

Question: Can you give us more details on trade and economic relations…(inaudible)?

Answer: I do not have more details on that. But yes, trade and economic relations are a very important part of our exchanges. When I say the bilateral dialogue architecture, there are several groups, which are looking exactly at various aspects of economic exchanges and cooperation in economic infrastructure between India and the US. These matters were reviewed.

Question: Was the issue of the search that Mr. George Fernandes[1] was subjected to discussed with Mr. Armitage?

Answer: I think Mr. Armitage has already addressed[2] this issue and I would not like to say anything further.

Question: Mr. Armitage has said that the terrorist infrastructure in Pakistan and infiltration still continues…

Answer: I saw that statement. Our position on terrorism and our position on the dialogue process with Pakistan is quite well known and you will find reflection of that in the recent Joint Statement as well as the January 6 Statement.

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1. Former Indian Defence Minister who was bodily searched during his visit and transit visit to the USA in 2002 and 2003 respectively by the American airport security.
2. Mr.Armitage told a press conference in New Delhi on July 14 that he had expressed his sincere apologies to Mr. Fernandes during a telephonic conversation with him that morning. He denied any previous knowledge of the incident.

Question: Mr. Armitage also said that the Indian government had not protested at the time when Mr. Fernandes was searched. Is that true?

Answer: As far as that issue is concerned I think I would leave it at just whatever Mr. Armitage himself has said. So, I do not want to get into that.

Question: Is it true that the Indian government did not raise the issue with the United States earlier?

Answer: This is not something which I can give you an answer on from here – from the discussion on the talks. If you want me to check up that particular point, I will check it out.

Question: Anything on Nepal and Sri Lanka?

Answer: Nepal and Sri Lanka were discussed in detail, Bangladesh was also discussed – varying degrees of details I would say. There is a shared concern about resumption of violence in Sri Lanka. On Nepal we spoke of working together in assisting the government to combat terrorism effectively.

Question: Bangladesh?

Answer: Concerns were expressed about rising fundamentalist forces and their support for terrorism.

Question: Who expressed concern – the American side?

Answer: When I am giving you these it is basically the essence of the exchange of views.

Question: Did the issue of increasing violence in Kashmir come up?

Answer: Possibly, but as I said I do not have all details. The issue of terrorism came up, the issue of developments in India–Pakistan relations came up and on that we conveyed our forward looking approach to the dialogue process. He was briefed on the Confidence Building Measures, which are being expanded as well as the widening of the areas of cooperation.

Question: Can you give details about the meetings with NSA?

Answer: As I said I am not giving you a meeting-by-meeting briefing. I am giving you an overall one.

Question: Any particular reason why you are playing down the Fernandes issue[1]?

Answer: It is not that I am trying to play up or play down any issue. I think Mr. Armitage has addressed this issue himself. So, it is not for the Foreign Office Spokesman to address this issue.

Question: He has only talked about one incident. The other incident that happened was in January 2002, when he was invited by Donald Rumsfeld as a guest of the Defence Secretary? He is not saying anything about the first incident at all[1].

Answer: That I am not aware of. I just heard what he quickly said on television.

Question: Did Mr. Armitage convey any message from President Bush to the Prime Minister?

Answer: I am not aware of any specific message, but the governments have been in touch telephonically at all levels after the assumption of office by the government. It is not that we have not been talking to each other. There have been a number of telephone calls.

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1. This too related to body search of the former Indian Defence Minister by the American security.

301. Press release issued by the Ministry of External Affairs on the appointment of Montek Singh Ahluwalia as the Chairperson on the Indian side for India-US Economic Dialogue.

New Delhi, August 11, 2004.

Dr. Montek Singh Ahluwalia, Deputy Chairman, Planning Commission has been designated as the Co-Chairperson on the Indian side of the India-US Economic Dialogue. He would be working with his US counterpart Mr. Stephen Friedman, the Economic Policy Assistant to the President of the USA.

He would be assisted by Shri Shyam Saran, Foreign Secretary, who would serve as his Deputy in the India-US Economic Dialogue. Shri Saran would interact with his US counterpart Mr. Alan Larson, Under Secretary for Economic, Business and Agricultural Affairs in the US Department of State.

India-US Economic Dialogue was set up following an understanding between US President and Prime Minister of India in November 2001 and has five components – Finance and Investment; Commercial Dialogue; Trade Policy; Energy; and Environment.

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302. Joint statement issued on the sixth meeting of the India – US Joint Working Group on Counter-terrorism.

New Delhi, September 1, 2004.

The Sixth meeting of the India-US Joint Working Group on Counter Terrorism was held on August 31-September 1, 2004 in New Delhi. The Indian delegation was led by Ms. Meera Shankar, Additional Secretary (International Security) in the Ministry of External Affairs. The American side was led by Coordinator for Counter-Terrorism in the US Department of State, Ambassador J. Cofer Black. Both delegations included an inter-agency/inter-ministerial group of officials dealing with counter-terrorism and law enforcement.

The discussions included an assessment of the current international terrorism situation, a review of the US-led operations in Afghanistan and a review of the trends and concerns about the situation in South Asia, including cross border terrorism. The two sides shared assessments about the increase in arms and narcotics trafficking in the region and the linkages between trafficking in narcotics and financing of terrorism. The destabilizing impact of these linkages was a matter of growing concern to both countries. Both sides agreed that, even as the challenge posed by international terrorism continues to mutate, it is important for the international community to strengthen counter-terrorism cooperation to effectively meet this challenge.

The two sides exchanged information on the law enforcement, legislative, financial and other measures taken in the field of counter-terrorism since the last meeting in July 2002 and the more recent discussions held during Ambassador Cofer Black's visit to New Delhi in March 2004. The US side reiterated support for India's early membership to the International Financial Regulatory Institutions (FATF/EGMONT Group). Training and capacity building programmes were discussed and both sides agreed to continue their on-going cooperation in this field and also explore the possibility of cooperation in new areas of mutual interest. It was agreed to look for ways to further ongoing cooperation against narcotics trafficking and the financing of terrorism and work towards early ratification and implementation of the Treaty on Mutual Legal Assistance.

Perspectives were exchanged on multilateral efforts to counter-

terrorism. Both sides agreed that the institutional mechanism set up by the UN Security Council should continue to be strengthened. The two sides unequivocally condemned all acts, methods and practices of terrorism and agreed that measures in the multilateral context should be comprehensive, sustained and responsive to different regional situations.

Set up in 2000, the Joint Working Group is seen as a useful mechanism by both sides to get a first hand understanding of each other's specific concerns. The importance attached by their respective Governments to the on-going cooperation in counter-terrorism was reiterated, in particular in areas of capacity building, exchange of information and intelligence and regular sharing of assessment of emerging trends and concerns relating to international terrorism.

It was agreed to hold the next session of the India – US Joint Working Group on Counter-terrorism on mutually acceptable dates in Washington in April 2005.

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303. Joint press statement on Next Steps in Strategic Partnership between India and the United States.

Washington, September 17, 2004.

The United States and India announced today major progress in the Next Steps in Strategic Partnership (NSSP) initiative. Implementation of the NSSP will lead to significant economic benefits for both countries and improve regional and global security.

In January 2004, the United States and India agreed to expand cooperation in three specific areas: civilian nuclear activities, civilian space programs, and high-technology trade. In addition, the two countries agreed to expand our dialogue on missile defense. These areas of cooperation are designed to progress through a series of reciprocal steps that build on each other.

Since January, the two governments have worked closely together to conclude Phase One of the NSSP. This has included implementation of

measures to address proliferation concerns and ensure compliance with U.S. export controls.

These efforts have enabled the United States to make modifications to U.S. export licensing policies that will foster cooperation in commercial space programs and permit certain exports to power plants at safeguarded nuclear facilities. These modifications, including removing the Indian Space Research Organization (ISRO) Headquarters from the Department of Commerce Entity List, are fully consistent with U.S. Government nonproliferation laws, obligations, and objectives.

The United States and India will continue to move forward under the NSSP, and have a joint implementation group for this purpose. The progress announced today is only the first phase in this important effort, which is a significant part of transforming our strategic relationship.

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304. Joint statement issued at the end of talks between Prime Minister Dr. Manmohan Singh and US President George W. Bush.

New York, September 21, 2004.

US - India Partnership: Cooperation and Trust

President George W. Bush and Prime Minister Manmohan Singh had their first meeting today.[1] The two leaders noted with satisfaction that bilateral relations had never been as close as they were at present, and they set the direction for further development of the India - U. S. strategic partnership.[2]

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1. It was an hour-long breakfast meeting between the two leaders. After the meeting, the Indian Officials claimed that the relationship with Washington has been re-configured as a partnership between two equals and serious international players. The breakfast meeting ended on a note of satisfaction. Dr. Singh was accompanied by the External Affairs Minister K. Natwar Singh, the National Security Advisor J. N. Dixit, the Indian Ambassador to the US Ronen Sen and Foreign Secretary Shyam Saran. Mr. Bush was assisted by the Secretary of State Colin Powell, the National Security Advisor Condeleezza Rice and the former American Ambassador in New Delhi and now a senior White House aide, Robert Blackwill.
2. Indian Foreign Secretary Mr. Saran made the point that implementation of the NSSP ought not to be seen as a 'reward' for some kind of good behaviour on New Delhi's part but rather

They welcomed the recent implementation of Phase 1 of the Next Steps in Strategic Partnership to include the removal of ISRO Headquarters from the Commerce Department's Entity List, as the beginning of a new era of cooperation and trust. Expanded defense cooperation was perceived as an integral aspect of the expanding ties.

The two leaders exchanged thoughts on their shared global concerns and agreed that making the world a safer place was an overriding priority. They recognized the importance of working closely together in the war against terrorism and in combating proliferation of weapons of mass destruction and their delivery systems.

They agreed that policies encouraging greater integration of the two economies and with the global economy would offer opportunities to expand and strengthen their economic partnership. To this end, the two leaders also expressed their desire to strengthen cooperation on international economic issues including the WTO's Doha Development Agenda, and on the bilateral efforts such as the U.S.-India Economic Dialogue and the High Technology Cooperation Group.

President Bush and Prime Minister Manmohan Singh agreed that stronger partnership between India and the United States, two nations sharing values and traditions, acting in concert in international institutions, would enhance global security and prosperity.

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as an expression of a relationship based on a commonality of interests and concerns between the two democracies in the area of nuclear non-proliferation, as also an extension of the growing defence cooperation.

There was a discussion on the situation in South Asia, but the Indian side was again keen on stressing that "Pakistan was not the focus" of the Manmohan Singh – Bush meeting. The Indian side apprised the American hosts of the progress on the dialogue with Pakistan. Dr. Singh told Mr. Bush —just as he had conveyed to the British Prime Minister Tony Blair – that if public opinion was to be built in favour of India – Pakistan talks, it was very important that the "assurances" that the Pakistan President had made be kept. Dr. Singh was reported to have listed the elimination of the terrorist training camps and launching pad as necessary conditions. According to media reports Mr. Bush and his advisors reportedly assured that terrorism of "any kind, any where" must be combated and they expressed "understanding and appreciation" of the Indian views in the matter of cross – border terrorism in Jammu and Kashmir.

305. Speech by Prime Minister Dr. Manmohan Singh at the Council on Foreign Relations on the theme: "India and the US: Towards a New Partnership."

New York, September 24, 2004.

Dr. Haass, Dr. Bollinger, Professor Frankel, Dr. Desai, Ladies and Gentlemen.

It is a privilege to have this opportunity to share with this distinguished gathering my thoughts on the prospects for a stronger and mutually enriching partnership between India and the United States in the years ahead.

Commonality of values and factors driving a shared world view

It is usual for speakers on India US relations to stress the fact that we are both democracies and that this provides an essential commonality of values between our two countries which should lead naturally to a strong partnership. I do believe that this approach is fundamentally right. A commitment to a genuinely democratic society, which is also an open, liberal and tolerant society, represents a basis of shared values between us which is very important. But we must also realistically recognize that this by itself does not ensure or guarantee a close relationship as is evident from the fact that India US relations have had their ups and downs in the past.

Real partnership requires more than just a shared commitment to democracy. A real partnership requires the commonality of values to be supplemented by an awareness of converging interests, and a shared worldview. I believe that the changes that have occurred in the world in the past fifteen years or so have brought us much closer to such an awareness than ever in the past. In my view, there are at least three major elements that have driven this process of redefining world views.

Firstly, the cold war ended. Old threats receded and new threats emerged. Strategic equations began to be revaluated, in Delhi, in Washington, and in other capitals too. The second factor is the accelerating pace of globalization. This had profound implications for economic policy in developing countries, and of course for India in particular. Thirdly, the nearly two million strong Indian American community carne of age in the US. They began to develop a prominent presence in this country, with greater

involvement in mainstream America. They have become a potent voice for promoting stronger bilateral ties. These three factors, I believe, point to a future of accelerated engagement based on partnership.

Our democratic polity and commitment to pluralism & liberalism For India, our response to these factors is powerfully affected by our democratic structures and the underlying commitment to the deeper values of pluralism and liberalism. Let me elaborate.

As in other developing countries, our primary challenge is one of economic development. We are determined to improve the conditions of life for our people and this can only be done by transforming our economy into a modern, middle income economy as swiftly as possible. However, we have chosen to work towards this goal within the framework of parliamentary democracy. We adopted parliamentary democracy, based on universal suffrage, at per capita income levels which were: a fraction of those in industrialized countries and with levels of literacy as low as 18%, at the time India became independent.

The task of economic development, never an easy one, is especially challenging when it is to be realized through a functioning democracy in a low income environment. Economic transformation requires difficult choices in which short term goals often have to be sacrificed for longer term objectives. The pressures of politics do not always afford the luxury of the long view. Many observers had doubts on whether democratic India could deliver results and there have been periods when our performance has been less impressive than we would have wished. Yet, on the whole, we can be proud of what we have achieved.

We today are an economy which has grown at close to 6% per annum over twenty years. We have the fourth largest GDP in the world in terms of purchasing power. We have a confident, competitive private sector, which displays remarkable entrepreneurial energy. India is well endowed with human resources of a very high order and an infrastructure of law and commercial accounting conducive to modern business. Our economy has shown dynamism in many areas of advanced technology.

This is the result of sustained efforts over the past fifty years to build institutions that provide the underpinning of economic development over the longer term efforts that began early on as a part of the vision of

Jawaharlal Nehru. It is also the result of economic reforms which have greatly increased our competitiveness in recent years. Economic analysts today agree that India has the potential to achieve 8% growth for a sustained period. The fact that this achievement has drawn on, and reinforced our democracy is an achievement of which all Indians are justly proud.

Elections are the very essence of a democracy. We take pride in the unaffected regularity of our electorate voting their representatives into and out of office quite matter of factly. The United States is keen to support the promotion of democratic values around the world. India is a living example of how democratic institutions can flourish in developing countries and in a manner which achieves developmental objectives.

Our commitment to democracy is conjoined with a commitment to the deeper values of pluralism and liberalism. India's embrace of diversity as an essential ingredient of our democracy what today is characterised as multiculturalism is deeply rooted in our culture. The effort to preserve it in the process of building a modern state is a socio political experiment on a massive scale. Its success is a validation of our underlying philosophy. This is a model of democratic practice that has great relevance to this fractured world, in which we often hear seductive arguments equating ethnicity or language or religion with nationhood. Such flawed hypotheses do not create states or civilizations. Democracy cannot be based on exclusion; it has to be inclusive because it celebrates plurality. Threatening this plurality is extremism and terrorism, now on a global scale, from which no one can be safe or insulated. Acts of violence and terror in the name of religion and ideology are sometimes projected as a clash of cultures, instead of what they actually are attempts to impose bigotry on tolerance. Multi cultural nations like ours, will remain the targets of the protagonists of bigotry because our societies invalidate their thesis. We in India have suffered from such violence. The wounds inflicted on this city too, are still seared in our memory.

Earlier this week, I conveyed to President Bush that India's determination to confront and vanquish global terrorism is second to none. For a decade and a half, India has paid a price in human lives that cannot be equalled anywhere. We have not let it weaken our resolve, or undermine the fundamental values on which our society and yours is based. This is a shared struggle and one in which we should find it possible to do a great deal more together.

Globalisation the other challenge

Globalisation is the other international development that influences our world view. As trade barriers have dropped sharply, global economic integration has encouraged an expansion in trade, foreign direct investment and flows of technology and people. The explosion of information technology has created new business opportunities undreamt of ten years ago. India, like other developing countries, stands to benefit enormously from this explosion of economic opportunities and indeed has done so in several respects.

As I have already mentioned, the economic reforms we introduced in 1991 and which have been continued by successive governments, laid the foundations of an economy poised to reap the potential benefits of globalization. Our trade has expanded and we have done exceptionally well in certain areas such as IT-enabled services. India is now seen as having the potential to emerge as a major player in the knowledge economy. Business Process Outsourcing a phrase which has spawned a number of emotive myths is only one indicator of the potential. Each day, Indian companies are proving themselves to be credible partners for American enterprises. Time and distance, the handicaps of the past, have become the advantages of our times. Our skills have helped to sharpen the competitive edge of American companies.

While globalisation presents many potential benefits, it also poses special challenges. In a democracy, it is necessary that the process of reform be perceived as equitable and caring. In a. world in which information flows are unfettered, growth processes in which some are seen to benefit while others are excluded are not viable. This is particularly sensitive in a democratic polity in which public dissatisfaction can be quickly converted into electoral defeat. This is indeed the message of the recent elections in India. They were not, as some . have said, a vote against reforms. They were a vote against a process of reform that was seen to be unbalanced, a process which neglected the needs of our rural areas and the agricultural economy.

My government is committed to addressing these problems. We will strengthen and deepen reforms so that India can benefit from the tremendous opportunities which the global economy offers today, but we

will also ensure that there is a better distribution of benefits. Our vision of 'inclusive politics' is rooted in a vision of liberal economics.

The integration of the Indian economy with the world opens new vistas of potential cooperation with the United States. The United States is potentially a major investor, but the volume of US investment in India is as yet modest. Our growth ambitions need massive investments, particularly in infrastructure, and much of this will have to come from public private partnerships. We believe the United States can play a major role in this area. The United States can also help in sustaining India's efforts to globalise by remaining true to your own traditional commitment to freer trade. I must confess that at times we see disturbing signs of protectionism in the US which run counter to everything this country has stood for. Let me just say that at this point in time when India and other developing countries are beginning to be won over by the persuasiveness of the case for globalisation, I hope the argument will not be lost here. We count on the United States standing firm in its commitment to free trade and open access.

Role of the Indian community in the USA

The Indian American community in this country is the third significant factor in a much stronger India US partnership in the future. I would like to use this opportunity to pay tribute to this community and to recognize their contribution to strengthening our bilateral relations. Indian Americans have shown the exceptional characteristic of being able to integrate fully into American life while also maintaining a close cultural and economic connection with India. They serve as a bridge between our national interests. They are an inspiration to our younger people. Often their regional roots in India makes them a special bridge to individual states. They also, we hope, speak for India, helping to explain some of our concerns, constraints and perceptions to their fellow Americans.

Recent trends in India-US cooperation

Happily, the last decade and a half has seen a progressive transformation in our bilateral engagement. This process began during the visit of Prime Minister Indira Gandhi in 1983 and Prime Minister Rajiv Gandhi in 1986. The reevaluation on both sides of the India America equation has yielded encouraging results in recent years, and the canvas is still unfolding.

We have recently embarked on a forward looking programme which

envisages cooperation in civilian space applications, nuclear energy, high technology commerce and a dialogue on missile defence. As we move forward on the basis of trust and confidence there are ever widening prospects for cooperation in these areas.

Our scientific and technological interaction is more and more wider-ranging, with increasing global applications. It has also been energized by new prospects in industry. Information technology, advanced materials research, medicine and vaccine development are a few of the frontier areas of our collaboration.

Our defence ,cooperation is growing rapidly. We also have close cooperation on counter terrorism, whose benefits are extensive and measurable.

In Nepal and Sri Lanka, the US has supported India's approach in strengthening peace and stability by supporting democratic forces, constitutional processes and political dialogue. In Afghanistan, India strongly supported US led efforts to replace the repressive Taliban regime and to eliminate the AI Qaeda menace. We remain deeply involved in assisting the democratic Government of Afghanistan in its national reconstruction efforts.

New partnerships have to escape the straitjacket of old paradigms. Looking beyond our bilateral relationship, I believe we can also be partners in developing a global perspective on creating a new and durable structure for international cooperation. It is remarkable that the world order of 1945 dominates global decision making even today. The architecture of all our major international organizations has remained virtually immune to the momentous political, economic, social and demographic changes of the second half of the twentieth century. It is not only the agencies and councils of the United Nations, which are outdated. . So too are many nuclear proliferation and arms control regimes and a number of other alliance systems. They were all designed to address threats that either no longer exist or have been so fundamentally altered that their neutralization calls for innovative approaches. I believe the time is ripe for the United States to seriously consider the advantages of further enhancing' our partnership on major international issues by recognizing India's due place in global councils.

India's geographical location and security environment have informed

our concern at the unrestrained proliferation of nuclear and missile technology. Our responsible record underscores the logic of India's partnership with the United States to make the world a safer place. Together, our governments can address threats from proliferation of weapons of mass destruction and their delivery systems. The Next Steps in Strategic Partnership, to which President Bush and I have committed our countries, would raise our cooperation in these areas to higher levels.

Friends,

I come to you with the conviction that an extraordinary responsibility rests upon our two nations to ensure that the fixture of mankind is not afflicted by the two paramount ills that made the previous century such a cruel one the scourge of violence that made the last century one of the most brutal known to mankind; and chronic and large scale deprivation that denied millions of human beings the dignified lives they deserve. History will judge us by our efforts to rid the world of the twin menaces of violence and exclusion.

I believe that the India US relationship has reached a stage where it can serve this larger global cause. Our polities are founded on similar principles and shared values. Our relations have reached a stage of maturity, in which we can manage our differences in a rational and practical manner. There is a mutuality of interests and a complementarity of major objectives. This is a sound basis for a durable partnership in the enterprise we are engaged in the building of a stable, secure, prosperous and equitable world order. In essence, therefore, my message is simple we are on the same side. And as I have said before the best is yet to be.

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306. Press conference by Prime Minister Dr. Manmohan Singh at the end of his visit to New York to attend the UN General Assembly session.

New York, September 24, 2004.

Please see Document No. 40.

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307. Reaction by Official Spokesperson on imposition of sanctions on Indian Scientists by the United States.

New Delhi, October 1, 2004.

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Question : There are reports that US has imposed sanctions on two Indian scientists...

Answer : Yes, the Government is aware of the mater. This case which pertains to individuals has been discussed with the US side and it has been conveyed that we do not share the US assessment.

Indeed, one of the individuals named Shri. C. Surendar has never visited Iran while in service or post retirement. Dr. YSR Prasad initially visited Iran under the aegis of the IAEA Technical Cooperation programme. Thereafter, he provided consultancy on safety related aspects connected with the Bushehr Nuclear Power Plant which is under IAEA safeguards. He has not visited Iran since mid-2003.

No sale of materials, equipment and technologies was involved. No transfer of sensitive technology has taken place. Government of India's commitment to prevent onward proliferation is second to none and our track record in this regard is well-known.

US Government has been requested to review the issue and to withdraw the sanctions imposed.

Question : On the issue of other ISRO branches being on the list, how does it marry with the Next Steps in Strategic Partnership, when at one level we are talking about technology transfer?

Answer : You know that NSSP has been agreed to. The Phase I has been agreed to and that is indeed a very welcome development in bilateral relations. On this other issue, I would not like to mingle the two. I have stated our position and we have asked for the US Government to review its position.

Question : When did we take it up?

Answer : This was taken up at several levels in the last few day.

Question : Was there awareness about the sanctions that were going to be imposed on these two scientists?

Answer : I do not know what you mean by whether Government of India was aware or not. As I said one of the scientists has not been to Iran and one has been to Iran under certain programme of the IAEA. Thereafter, this decision has been announced and then we have taken action.

Question : All these issues of technical cooperation are being talked about at such high levels did the US Government inform us in advance that these people are likely to be...

Answer : I have no information.

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308. Media briefing by Official Spokesperson on Indo-US High Technology Cooperation Group review meeting.

New Delhi, October 11, 2004.

Official Spokesperson: Good Evening. On the visit of Mr. Ken Juster, Undersecretary in the US Department of Commerce. He is in town today and the Indo-US High Technology Cooperation Group review meeting was held this morning in the Ministry of External Affairs. The Indian delegation was led by Shri Shyam Saran, Foreign Secretary and the US delegation by Mr. Ken Juster.

As you know, this is the first meeting between the two sides after the successful conclusion of the First Phase of the Next Steps in Strategic Partnership (NSSP) in Washington on September 17, 2004. In the Review carried out by the two sides this morning, the following measures were agreed upon:

First, the US Assistant Secretary of State, Christina Rocca will be visiting New Delhi from October 20, 2004 for the first meeting of the NSSP Phase – I Implementation Group. The Group will be headed by Shri S. Jaishankar, Joint Secretary (Americas) on the Indian side. This Group will also prepare the ground for the commencement of negotiations on Phase – II of the NSSP, which will have a broader scope and application and will discuss steps for implementing the understandings of NSSP-I.

Secondly, the Review meeting also discussed action already taken on several pending items, and identified new ideas for collaboration in bio-technology, nanotechnology, Advanced Information Technology and defence technology especially in view of the more liberalized licensing regime envisaged under the NSSP process.

Third, the Co-chairman of the High Technology Cooperation Group (HTCG) will together address a FICCI-sponsored Round Table in High Technology Commerce between India and the US on October 12th. The objective is to reach out to industry and business circles in India in order to familiarize them with both the procedures and the potential of high technology commerce between India and the US.

Fourth, the Review meeting also expressed satisfaction at the increased volume of exports of dual use technologies and products from

the US to India during the past 3 years. This data reveals that this is a process that is working well. The next High Technology Cooperation Group meeting will be held in November 2004 in Washington.

Just for giving you some figures, the export data reveals that for financial year 2002, total US exports were at USD 3.8 billion. During financial year 2003 they were at USD 4.8 billion and 2004 they are already at USD 4.6 billion. These are figures up to July 31, 2004. The figures for dual use exports are USD 26 million for 2002 and USD 90 million up to July 31, 2004. There are still two months left before the end of US financial year.

Question: What does dual use include?

Answer: There are lots of items in dual use technology, high technology trade, civilian nuclear and space… as you have seen these have been subjects of NSSP I.

Question: Did the issue of sanctions against the two Indian scientists – we had made a request to the US to reconsider – come up in today's meetings?

Answer: I do not have that as a readout with me. This is a specific High Technology Group. Everything need not figure in this. I do not have a determined answer to whether it was actually mentioned or not. We have already taken it up with the US government.

Question: Has there been any response on this issue from the US side[1]…?

Answer: Well, I do not have a readout from today's meeting whether we have a response on that. As I have said we have already communicated this. As soon as we get some developments on that we will share it with you.

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1. Mr. Kenneth Juster separately told a press conference in New Delhi on the same day that "penalties" and not "sanctions" had been imposed against the two scientists. Asked whether this would be reconsidered or reviewed, he said that Washington had been engaged in discussion with New Delhi on this issue. This was an "on-going" issue and there would be more discussions.

309. Reaction of Official Spokesperson regarding press reports relating to proposed sanctions on Indian entities by the US.

New Delhi, October 23, 2004.

"We have seen these press reports. With the launch of the NSSP we now have a forum for discussions on such issues between the two countries and it is in this forum that all cases of onward proliferation can be brought up by one or the other country. In the recently concluded meeting of the NSSP implementation group, there was no demand made on the Indian side for evidence in regard to the two entities sanctioned by the US. In fact, the burden of action is on the US as we have already pointed out to them that the decision in regard to these entities is based on faulty evidence and must be revoked. We are also not aware of plans to sanction three entities as mentioned in these press reports. If there had been any such plans, then the NSSP forum would have been the appropriate forum to discuss these cases[1]."

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1. The Spokesperson was referring to the India - US NSSP Implementation Group meeting held in New Delhi on October 21. In this meeting Indian Group was headed by S. Jaishankar, Joint Secretary (Americas) in the MEA and the American Group was headed by Christina Rocca, Assistant Secretary of State. The Official Spokesperson of the MEA had said on October 21 that during these discussions, substantial progress on the implementation of Phase 1 of NSSP was made and that the Group would meet again shortly. Media reports quoting MEA sources said on October 23 that India did not view the NSSP as a "one way street" . The forum was for both countries; and India could raise concerns about "on-ward proliferation" by countries such as North Korea and Pakistan.

310. Letter of Prime Minister Manmohan Singh to US President George W. Bush congratulating him on his re-election.

New Delhi, November 4, 2004.

Dear Mr. President,

it gives me great pleasure to extend warmest congratulations on your re-election, as President of the United States of America. My good wishes as well as those of the Government and people of India are with you as you prepare to lead your great nation, drawing on a strong mandate, in the years ahead.

I recall our discussion in New York in September focussed on the overriding priority of making the future more secure. The global war against terrorism and efforts to combat WMD proliferation will benefit enormously from your steadfast resolve and leadership. As partners against terrorism and WMD proliferation, we will stand by the United States in strengthening international peace and stability.

In our own neighbourhood, we welcome the successful holding of Presidential Elections in Afghanistan, which is in consonance with the vital interests of both our countries. We all have a stake in the early return of Iraq to the international mainstream as a democratic country. India is ready to conribute to the electral process early next year.

One major goal of our policies must be to continue to deny any comfort or encouragement to religious extremism or terrorism, and resolve to ensure their complete elimination as an acceptable instrument of State policy. We are confident that the United States and India are on the same side in this effort.

Mr. President, during your first term in office, our bilateral relations underwent a qualitative transformation, due in no small measure to your personal commitment and efforts. As India's integration with the global economy grows, we need to chart out an economic road map that would be an integral element of our broader relationship. We must embark on a larger and a more ambitions agenda for broader strategic cooperation; high technoogy, commerce and defence hold a particular promise in this regard. We look forward to moving ahead expeditiously through the Next Steps in

Strategic partnership. Our shared vision and common values provide an enduring base for our relations. India and the United States together and in partnership based on trust and mutual conficence, can make a positive difference on issues of global significance in this century.[1]

I look forward to working with you as we re-dedicate ourselves to further strengthen the progress that we have made in the last few years. A visit by you, Mr. President, to India would be a milestone in our relations. I hope that we will have the opportunity to welcome you in India very soon.

With renewed congratulations and warm regards.

Yours sincerely,

(Manmohan Singh)

H.E. Mr. George W. Bush
President of the United States of America
Washington D.C.

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1. On November 7 Prime Minister while speaking to journalists accompanying him on board his fight to the Hague to attend the India-European Union Summit said though India's interaction with the EU was part of the process of "strengthening multi-lateralism", he stressed that engaging Washington was also a matter of "necessity" for New Delhi. Answering questions the Prime Minister said" we are living in a world of unequal power. We cannot wish away the realities of this situation. We have to use the available international system to promote our interests. And, therefore we have a necessity to engage the US. The US plays a very important role in the world economy, the political world system and we cannot which that away. Our efforts will be to have a constructive dialogue which larges the scope of autonomous decision-making in our country." The US he said is a super power and "its interests do not always coincide with ours". But I still believe there is enormous scope for constructive engagement... to the mutual advantage of both our countries."

311. Address by Indian Foreign Secretary Shyam Saran on the HTCG Dialogue on Defence Technology, Data Privacy and Export Licensing.

Washington, November 18, 2004.

I am very glad to have this opportunity to address the HTCG Dialogue on Defence Technology, Data Privacy and Export Licensing. HTCG is a unique public – private partnership that focuses on what, I believe, is one of the defining characteristics of Indo-US relations. This Dialogue takes place at a time when prospects for high-technology commerce are looking increasingly bright. I would like to begin by sharing our assessment on the status of the larger Indo-US relationship, where we think it is heading, and what its implications are for high-technology trade.

2. The last few months have seen an intense interaction across a very broad agenda. The meeting in September in New York between Prime Minister and President Bush, through its statement of partnership, set out the priority areas of our cooperation. A number of preceding events contributed to the determination of these priorities, among them the conclusion of Phase-I of NSSP, meetings of the Defence Policy Group and Counter-Terrorism JWG, the Indo-US Space Conference and the visit of Deputy Secretary Armitage. Since that meeting, the pace of our cooperation has actually intensified further. Under Secretary Juster's visit to New Delhi in October allowed us to hold an interim HTCG review meeting; the NSSP Implementation Group met later that month and our discussions on NSSP Phase-II have begun. Both sides are striving to expand the spirit of cooperation to broader areas and we are confident that the convergence of interests that our leadership has so strongly articulated would be realised through concrete programmes of action.

3. NSSP-I and related developments have created a sense of confidence in the high-technology industry. Making licences more liberal and more predictable was a significant accomplishment. Equally, our shared interest in export controls has manifested itself through what we hope will be smooth and time-sensitive implementation processes. From interactions that I personally and some of my colleagues have had with Indian industry, we know that this is a subject about which they have concerns. Indeed, as we proceed along the path towards closer collaboration, the demand for

information and need for understanding will grow commensurately. I am, therefore, pleased that we have chosen export licensing as one of the themes today for public-private discussions.

4. Given the lack of familiarity between our two systems and that private sector in India is still emerging in this field, defence technology is a particularly challenging element of HTCG. HTCG can serve as an important mechanism to facilitate flow of information critically needed to achieve take off. Clearly, Indian understanding of US licensing and acquisition processes needs improvement. Equally, a fuller comprehension of Indian decision-making in defence purchase and production is a must for both US vendors and US Government. We have a representative of DRDO who will be speaking on defence technology, but we must consciously encourage private sector to share and develop that interest. The Kelkar Committee is currently assessing the appropriate role for our private sector in defence and progress in HTCG could help shape the direction of that debate.

5. Data protection is today a significant issue in IT and as a Government, we are fully alive to its sensitivities. It is appropriate, perhaps even natural, to have selected it as an issue for the breakout session. I hope that true to its original purpose, HTCG would reflect other major concerns of industry in this field, among them the need for a Totalisation Agreement.

6. Bio-technology remains an active segment of HTCG and particularly in the absence of an industry session, I wish to assure our friends from India that the concerns of the Indian industry would be fully reflected in the inter-governmental discussions.

7. Indian interest in nano-technology is still at in incipient level, as indeed is the technology itself. We attach great priority to its potential relevance and the President of India has himself taken interest in encouraging its growth. Developing human resources in this field is currently the most practical method of cooperation and I hope that discussions on the sidelines of this meeting would serve that purpose. Developmental implications of nano-technology could constitute the focus for an HTCG event at a future date.

8. Since I assumed responsibility as Indian co-Chair of HTCG, we have striven to give this public-private partnership real meaning. Our consultations with Indian industry have been continuous and extensive. The recently

constituted HTCG Task Force provides improved coordination. Given that HTCG is still in its initial stages, it is up to all of us to strengthen its effectiveness and relevance. Certainly, more regular meetings with greater notice would be helpful. HTCG events on the sidelines of industry gatherings would also draw more participation and industry interest. A more pro-active role by industry associations including surveying and scouting companies with high-technology focus is desirable.

9. In our discussions tomorrow, many of the issues that have come up during our preparations will be taken up with our US colleagues. In the meanwhile, I hope that the breakout sessions today will generate new ideas and more concepts to give us additional food for thought.

10. I take this opportunity on behalf of the Indian delegation to thank our host, Under Secretary Juster, and the US organisers for the arrangements made and the care that they have taken to ensure our comfort. I wish all of you productive and useful day ahead.

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312. Press briefing by Official Spokesperson on the telephonic conversation of External Affairs Minister K. Natwar Singh with US Secretary of State (Designate) Condoleezza Rice.

New Delhi, November 18, 2004.

External Affairs Minister Shri Natwar Singh spoke on telephone to Dr. Condoleezza Rice this evening and congratulated her on her appointment as US Secretary of State. EAM said that he looked forward to working with Dr. Rice to further strengthen Indo-US bilateral relations. Dr. Rice said that the two countries had a great relationship and she looked forward to extending it and making it even more solid.

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313. Press Conference by Foreign Secretary at the conclusion of his Visit to the US for HTCG Meeting in Washington.

Washington, November 19, 2004.

[**Ambassador Shri Ronen Sen** in his welcome remarks highlighted that the Foreign Secretary Shri Shyam Saran is visiting US within two months of his last visit and the frequency itself demonstrated the state of our relations and the importance; and the momentum it is gaining. He invited Foreign Secretary to share his thoughts on this visit and on the interactions that he had with various dignitaries and then take questions from journalists.]

Foreign Secretary: Thank you very much Ambassador. I would like to thank all of you for taking time to come to this press conference. It will give me an opportunity to share with you the results of deliberations that have taken place in the last two days. This visit to Washington had been planned some time back for the HTCG meetings. As you know, we are viewing these meetings in terms of developing the economic and trade relationship between India and the US and in developing strategic partnership which the leaders of the two countries have committed themselves to. The dialogue process consists of three legs. You would recall the last time we had NSSP meetings. The first focus is on NSSP. The second leg of the process is the HTCG, the meetings of which were held in the last couple of days and the third leg, we would be following up later on, is the high-level Economic Dialogue between the two countries. For the Economic Dialogue, the Indian side would be chaired by Deputy Chairman of Planning Commission Mr. M.S. Ahluwalia and Mr. Friedman would be the co-Chair on the US side. In that group Foreign Secretary is the second member on the Indian side, and Mr. Alan P. Larson, Under Secretary for Economic Affairs in the State Department.

My present visit was basically to deal with the second leg of the dialogue process. These three legs of the process are related to one another. With the NSSP, what we achieved was a more liberal and more predictable licensing mechanism in terms of access to technology.

The HTCG focused attention on four central areas: (i) Information technology; (ii) Bio-technology; (iii) Defence technology and (iv) Nano technology. These are the four areas of special focus.

In the current meetings that we have just had, focus was on information technology and defence technology. To that extent, the HTCG brings together not only Government representatives but also industry representatives. The other two areas, we have left for focused attention subsequently. The meetings that we have had showed excellent participation by both US as well as Indian industry, and we had satisfying participation by government representatives from both sides. In the plenary session, we had almost 100 participants. This would indicate how much interest was generated in the talks.

In terms of what we achieved in these meetings, which involved presentations by both sides in areas like opportunities for cooperation in defence technology sector, and IT sector - what we were looking at was how we could work out details with regard to familiarization of certain procedures and processes that exist on both sides, and how we do business. Familiarisation of procedures is really for the benefit of the industry. There were break out sessions for the industry representatives, where certain specific themes were discussed for example, there was a presentation by our side on export licensing procedures. There was another session on the developments in the field of data privacy – this is one of the areas of concern for the US and comes in the wake of the recent meeting on cyber security matters.

Also, we are looking at much better cooperation and expansion of trade in these areas. There would be extensive outreach programmes for familiarizing industry on the procurement procedures, etc. We have decided to use three major events planned for February for this purpose. Aero India, would focus on aerospace industry; an HTCG event on the sidelines would focus on defence technology and on procurement practices in India. With regard to defence technology, the procedures in India are different from what we have in the US. Greater private sector participation in defence industry is one of the important issues, and currently Kelkar Committee is working on how government-industry interface in the defence area can be developed, with focus on defence procurement practices.

The second event contemplated is on bio technology and would enable us to focus attention in this promising area of cooperation. We have certain concerns in this area such as clinical trials and acceptance of Indian pharmaceutical products on the US side.

NASSCOM's annual summit is another forum where some of the points of concern could be discussed. This will again be in the nature of an outreach programme.

The US side has also decided to have a major workshop in India on export licencing with the objective of familiarizing Indian industry with the complicated and rather extensive export licensing procedures in the US, to which the Indian industry has to conform.

We have had a very extensive kind of focus at the current session at different aspects of our technological cooperation with US.

Nano technology, is the fourth area of cooperation that we are looking at. India is at the early stages of development in this sector, and we are looking at academic exchanges which could help in this area, especially some cooperation framework between the National Science Foundation of US and our Department of Science and Technology.

These were as far as the HTCG meetings were concerned.

I used the opportunity of this visit to have meetings with top officials in the US Administration. I was very happy to have the opportunity of meeting Secretary of State-designate Condeleezza Rice. I have also had a meeting today with Deputy Secretary of Defence, Paul Wolfowitz and another meeting with Richard Armitage in the State Department. I also had meetings with my counterparts, Marc Grossman on the political side and Alan Larson on the economic side.

We have had occasion to have a very extensive exchange of views at very high levels, on both bilateral relations with India and a number of regional and global issues, and we are very satisfied that although there is a transition taking place in the US, in our interactions we found there is strong commitment in strengthening and expanding Indo-US relations. The strategic focus of these relations remains very important to the US leadership. A number of initiatives have been taken to take our relationship forward in the first term of President Bush. These will also have to be not only carried forward, but also with greater focus in his second term.

Question – Answer session:

Question: (PTI Correspondent): About meeting with Mr. Hadley, and

whether FS took up the matter of arms supply to Pakistan?

FS: I did not meet Mr. Hadley.

Question: Did you raise this matter with Dr.Rice?

FS: I raised the matter with Dr.Rice and conveyed our strong concern on the reports of arms sales to Pakistan. I also pointed out the repercussions that such a supply would have on the ongoing India-Pakistan dialogue, which is at a sensitive juncture.

We also stated that during the first term of President Bush's Administration, Indo-US relations had seen very significant transformation. The US in India is perceived today as a strategic partner, particularly in terms of shared democratic values and in this context, the supply of sophisticated weaponry to Pakistan will impact on the positive sentiments and good will that have begun to characterize Indo-US relations.

Question: About US response to arms supply and withdrawal of troops from J&K

FS: As far as arms supply is concerned, the response we received was that the US very much valued its relationship with India. It was also mentioned to me that there is continued emphasis on President Bush's commitment of taking this relationship further. While US did have an arms supply relationship with Pakistan, they are supportive of the India-Pakistan dialogue. It was also mentioned to me that the US would continue to take up India's concerns on cross border terrorism.

On the question of withdrawal of troops from J&K, though this was not discussed in the meetings, I learnt there was lot of appreciation on the initiative taken by Prime Minister Manmohan Singh.

Question (*The Hindu* correspondent): On F-16s

FS: We were informed that no decision has been taken in this regard.

Question : (Mr. Raghubir Goel): In the light of change of guard in the State Department (No.1 & 2 have changed), what about India's relations with US; second part of the Question on Pravasi Bharatiya Diwas (PBD), on how Government is planning to use the forum vis-a-vis NRIs in terms of investment etc.

FS: As mentioned earlier, in every meeting that I have had, an assurance has been conveyed that US was very much committed in taking the relationship forward and President Bush himself is personally committed to this relationship.

As far as PBD is concerned, we are looking at NRIs not only from the angle of investment and business opportunities opening up in India, etc., but to strengthen the cultural linkages between overseas Indian community and India, and are looking at educational opportunities for NRIs in India and exchange programmes. The forthcoming event would focus NRI relations on a much broader focus, not only on the commercial and financial sectors, and also look to setting up mechanisms for networking of overseas Indian community all over the world.

A number of areas have been identified. Dual citizenship has been accepted as a policy and efforts are on to look into the matter in terms of procedures, further privileges and further access in terms of investment etc.

Question (Reuters): On sanctions on two Indian scientists and whether India-Iran relations were discussed in the light of recent developments.

FS: As far as the two Indian scientists, we have publicly stated that there is no basis for the action taken by the US and have conveyed this to the US Administration and we continue to urge there should be an early review (of their case) and these restrictions should be lifted.

Question: Is there a review of the case (by the US authorities)?

FS: We have been told that it is being reviewed but a decision has not yet been taken.

As far as India's relationship with Iran, while discussing regional and international issues, the concerns of US with regard to Iran were conveyed to us. We have, on our part reiterated that as far as the nuclear issue is concerned, we are of the view that any commitments internationally made by Iran on this issue, Iran should conform to that. At the same time, we have welcomed the fact that some understanding has been reached between the three members of the EU and Iran with regard to this issue and hope that this issue would be resolved satisfactorily.

Question: On executive and legislative measures taken by India on diversion of technology as a result of the current talks.

FS: As far as our record is concerned in this regard, we have had no diversion of sensitive technology. What we are engaged at the moment with US is towards a familiarisation with procedures (in this regard) that we have in place. It is not as if we are adopting the US export laws. What we have said is for the two sides to be engaged in a dialogue so that there is an element of mutual confidence and trust with regard to diversion of sensitive technology. The exercise to strengthen our legislative and administrative mechanisms is an ongoing exercise and has been taking place for some time. It is not something which is being done at the behest of US.

Of course, if any fresh inputs come out of our ongoing dialogue with US, these could be incorporated in our ongoing exercise.

Question: On 'nano-technology' cooperation being one between in-equals

FS: It need not be viewed as something between unequal. There are areas where we can make substantial contribution and there are areas where we do not have that strength. We should not pre-judge the issue. Let us see how the cooperation between the National Science Foundation of US and our DST fares. Let us look at the process.

Question (Business Times, Hasmukh Shah): On our being euphoric at the progress and development of Indo-US relations and how India can achieve more through commercial diplomacy as distinct from political diplomacy

FS: There is no euphoria on this. There is a very realistic assessment of the possibilities of the potential which can be derived from the ongoing cooperation politically. As far as commercial diplomacy, well this is what we are doing in HTCG and this is what have been looking up in NSSP. These dialogues are directed towards opening up possibilities in the areas of high technology and dual technology. There is no real dividing line between political and economic diplomacy.

Question: Are we suggesting that Iran should conform to international commitments on the nuclear issue?

FS: We are not involved in checking what Iran has been doing and what it is not doing. We are not in a position to pass judgement on Iran. If there are

areas, particularly in terms of commitments and obligations that Iran has made under IAEA or as a responsible member of the international community, we expect that Iran would conform to those obligations. If there are any points of controversy, we would like that points of controversy are removed through dialogue and discussions. That is why I said we welcome the understanding between EU and Iran and I think IAEA has also come up with certain statement in this regard.

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314. Media briefing by Official Spokesperson on the third meeting of India-US High Technology Cooperation Group held in Washington.

New Delhi, November 22, 2004.

I wanted to give you some details of the meetings held in Washington on the 18th and 19th November in the High Technology Cooperation Group which was chaired by the Foreign Secretary on the Indian side and Under Secretary of Commerce Mr. Kenneth Juster on the US side. This was the third meeting of the High Technology Cooperation Group. It attracted a strong Government and industry participation, with more than 100 corporate participants and 35 representatives of Indian industry.

The meeting reviewed progress in cooperation in four sectoral areas of defence technology, advanced information technology, bio-technology and nano-technology. The structure was such that on 18th November public/private Dialogue took place, with keynote speeches by the two Co-chairs and Round Tables on specific subjects in the sectoral areas. The themes for the Round Tables were (a) defence technology cooperation including promotion of private sector; (b) data privacy in the IT sector, and (c) impact of Next Steps in Strategic Partnership (NSSP) on US export licensing for India.

Industry response in the public/private session was very positive and enthusiastic. They recognized the rapidly improving climate for high technology trade and strategic commerce. The US side noted that dual use licenses for India had climbed from 423 in FY 2002 to 619 in FY 2003 and

912 in FY 2004. In value terms too, this trade has gone up from $26.78 million in FY 2002 to $90.06 million in 2004. The impact of the conclusion of NSSP-I was therefore immediately visible on the licensing statistics for the month of October 2004. 57 licenses were approved and 8 denied. 43 applications were returned as it was felt that licenses in these categories are no longer required. Most of these returned applications pertained to the Department of Space.

During this meeting recommendations were received from the Industry groups and Round Tables on steps to improve high technology trade. In the defence technology sector, industry felt that greater efforts needed to be made to explain the Indian procurement process and the US licensing process. Outreach activities needed to be worked out in this regard. In the field of data privacy, industry expressed interest in promoting a best practices exercise. It was agreed that a Data Privacy Forum will take place in India in 2005. US privacy experts will engage with their Indian counterparts in the context of their own multilateral contacts with APEC, OECD and EU.

In the next phase of discussions which were inter-governmental, these recommendations were considered and information was exchanged. There was agreement that the NSSP process had contributed to enhancing high technology trade through more efficient procedures, shorter timelines, more transparent documentation and more aggressive outreach activities. It was felt that HTCG events should be held on the sidelines of industry gatherings such as Aero India 2005, Bio-Tech India 2005 and IT Summit 2005. The US Government conveyed that a major export control, licensing and promotion event was planned to take place in India in June 2005.

In the defence technology sector the Indo-US Politico Military Dialogue was envisaged as a vehicle to promote agreed objectives. The merits of an Indo-US Joint Working Group were considered to enhance space cooperation. The Indian side also took up the matter of visa problems faced by Indian scientists engaged in bilateral cooperation programmes.

In general, the governmental discussions focused on promoting greater understanding and exchange of information in defence technology, building human capacities in nano-technology, addressing regulatory issues and market access problems in bio-technology and advancing the data privacy programme in information technology.

Question: You have mentioned about politico-military dialogue[1] with US. What level will this be on?

Answer: These will be worked out. The point is that this is a forum that was envisaged as a vehicle for promoting (dialogue). If it works out then these things will be decided.

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1. During his press briefing on November 19, 2004 the Spokesperson was asked about India's reaction to the news reports suggesting sale of US arms to Pakistan and whether the Foreign Secretary in Washington had raised the issue with the US Government? In reply the Spokesperson had then said:
"You are quite correct in saying that the Foreign Secretary is in fact in the United States, in Washington. He had meetings with the National Security Advisor and other senior US officials. He has conveyed Government of India's strong concern to the reports of impending arms sales by the United States to Pakistan. He has pointed out the repercussions of such sales on the India –Pakistan dialogue which is currently poised at a sensitive juncture. During the first term of President Bush's Administration, India – US relations saw a significant transformation and US is perceived in India as a strategic partner particularly in terms of shared democratic values. In this context the decision to supply sophisticated weapons to Pakistan will inevitably impact on positive sentiments and goodwill that have come to characterize India – US relations."
Question: Do you have any feedback on the response of the US officials?
Answer: US officials have stated that the United States values its relationship with India and have recalled President Bush's personal commitment to take it forward. As far as India – Pakistan relations were concerned, while the United States has an arms supply relationship with Pakistan, it was supportive of the India – Pakistan dialogue. It would also continue to take up concerns relating to cross-border terrorism. Also, as was mentioned yesterday (Nov. 10) External Affairs Minister had spoken on telephone to Dr. Condoleezza Rice congratulating her on her appointment. She had said that India and United States have a great relationship and she looked forward to extending it and making it more solid.
Question: Did EAM raise this issue with Dr. Rice?
Answer: You have asked me about the United States response and I have pointed out that the Foreign Secretary has taken up this matter in Washington. I have told you what he has told the US officials including the NSA and I have given you the response received.

315. Press release by the Prime Minister's Office on the call by the US Defence Secretary Donald Rumsfeld on Prime Minister Dr. Manmohan Singh.

New Delhi, December 9, 2004.

The United States Secretary of Defence Mr.Donald Rumsfeld called on Prime Minister Dr. Manmohan Singh here today. They discussed bilateral issues and the situation in South Asia, Afghanistan, and Iraq. Mr. Rumsfeld said that President George Bush had impressed upon his senior colleagues the importance of improving relations with Inda. Dr. Singh recalled his meeting with President Bush and said he was looking forward to receiving him in New Delhi in 2005. Both leaders underscored the importance of "shared commitment to democracy " of both India and the U.S. and took note of the "multifaceted nature of the bilateral relationship."

Dr Singh reiterated his commitment to building peace , security and stability in South Asia and to India's willingness to discuss all outstanding issues with Pakistan as long as Pakistan remains committed to President Pervez Musharraf 's January 6th 2004 assurance to check cross border terrorism in Jammu and Kashmir.

Dr. Singh welcomed the peaceful conduct of elections in Afghanistan and expressed the hope that elections would also be conducted in Iraq. In response to Mr. Rumsfeld's observation that India had been "very generous" in extending assistance and support to Afghanistan, Dr Singh said "we can do a lot more to help Afghanistan if we are given transit facilities by Pakistan. Transit facilities are a normal right extended by neighbours to each others in civilized societies."

Dr. Singh also agreed with Mr. Rumsfeld that a return to democracy in Iraq and the strengthening of Iraq's secular credentials would be in the interests of the people of Iraq. Dr. Singh said India would help in the reconstruction of a secular and democratic Iraq.

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316. Media briefing by Official Spokesperson on the visit of US Secretary of Defence Donald Rumsfeld.

New Delhi, December 9, 2004.

Official Spokesperson: Good evening. I thought I would give you a few points on the visit of US Secretary of Defence, Mr. Donald Rumsfeld, who has visited India yesterday and today i.e. December 8 and 9. During this visit he has called on the Prime Minister and held discussions with the External Affairs Minister, Raksha Mantri as well as the National Security Advisor.

We attach importance to the visit of Secretary Rumsfeld. This is the first visit at the Cabinet level after the re-election of President George Bush. As you know, defence cooperation has imparted a significant impetus to the emerging Indo-US strategic partnership. The role played by the Department of Defence in the growth of our bilateral ties was recognized during the discussions today. It was also noted that India cherishes its relations that are based on our shared belief in democracy. During the discussions considerable emphasis was also laid on the maintenance of the strategic focus of our bilateral relationship.

The visit provided an excellent opportunity to review our current bilateral defence cooperation. There was satisfaction expressed at the rapid growth of this relationship including the effective working of the dialogue mechanism, military to military contacts, exercises, visits, education and training. There was visible interest in broadening the ambit of our defence cooperation. Both sides also agreed and reiterated their commitment to work closely together in war against terrorism and combating WMD proliferation. The NSSP (Next Steps in Strategic Partnership) and related initiatives between India and the United States were also discussed.

Other international and regional issues also came up for discussion. In particular there was an exchange of views on the situation in Afghanistan where Secretary Rumsfeld has just been for the inauguration of President Karzai. He expressed deep appreciation for the reconstruction assistance being extended by India. Afghanistan represented an example where India and US have cooperated closely to advance their shared agenda. The Indian side also made suggestions on steps that could facilitate aid and assistance that we are currently providing to Afghanistan.

The two sides also shared perspective on their respective ties with Pakistan. Concern was expressed from our side about the repercussions of US arms supply on the ongoing India-Pakistan dialogue currently poised at a sensitive juncture. It was noted that India-US relations had seen significant transformation during President Bush's first term and that US was now perceived as a strategic partner. These arms sales[1] could impact on the positive sentiment and goodwill for the US in India. Secretary Rumsfeld conveyed that US understood Indian sensitivities in this regard and would remain continually in touch. He said that the US did not envisage relations with India and Pakistan as a zero-sum game and it was a US objective to have good relations with both countries.

In the context of other global and regional issues, Secretary Rumsfeld also shared his assessment of the situation in Iraq expressing his optimism that the holding of elections would lead to an improvement. From our side our stakes in the Gulf region and traditional friendship for the people of Iraq were highlighted.

Question: Any request from Mr. Rumsfeld for sending election officers to Iraq during the electoral process there?

Answer: I do not see any mention of that. There is a mention of the discussion on situation in Iraq. Mr. Rumsfeld has expressed his optimism that holding of elections would lead to an improvement. As you know we have already said that in response to a UN request we would be willing to train Iraqi election officials in India as well as accept a visit from a delegation from the Iraqi election commission, and assist, if required, in framing out documents and regulations that may be required for the conduct of elections.

Question: This is with regard to the sale of equipment. You said that Mr. Rumsfeld said that he understood India's sensitivities. The US has said earlier that the sale of P3C would not impact on the strategic balance in the region. Could you share more details on that?

Answer: I am afraid I have no more details. I think this is a general concern which has been expressed about repercussion of US arms supplies both

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1. Already the Pentagon has notified the US Congress on November 16 of its intention to provide Pakistan eight P- 3C surveillance aircraft, Phalanx Close-in Weapons System and TOW 2-A anti-armour guided missiles in all worth US $ 1.2 billion.

on the India-Pakistan dialogue which as you know is sensitively poised as well as the perception of US in India as a strategic partner. This was his response in that general regard.

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CENTRAL AND SOUTH AMERICA

317. Preferential Trade Agreement between Mercosur and the Republic of India.

New Delhi, January 25, 2004.

The Argentine Republic, the Federative Republic of Brazil, the Republic of Paraguay and the Republica Oriental del Uruguay, States Parties to the MERCOSUR, and the Republic of India:

Considering

That the Framework Agreement for the creation of a Free Trade Area between MERCOSUR and the Republic of India provides for a first stage of action aimed at increasing trade, including the mutual granting of tariff preferences;

That implementation of an instrument providing for the granting of fixed tariff preferences during said first stage would facilitate subsequent negotiations for the creation of a Free Trade Area;

That the negotiations needed to implement the granting of fixed tariff preferences and to establish trade disciplines between the Parties have been conducted;

That regional integration and trade among developing countries, including through the creation of free trade areas, are compatible with .the multilateral trading system, and contribute to the expansion of world trade, to the integration of their economies into the global economy, and to the social and economic development of their peoples;

That the process of integrating their economies includes the gradual and reciprocal liberalization of trade and the strengthening of economic

cooperation amongst them;

That Article 27 of the Treaty of Montevideo 1980 of which the MERCOSUR Member States are signatory Parties authorizes the conclusion of Partial Scope Agreements with other developing countries and economic integration areas outside Latin America;

Hereby agree as follows:

Chapter I
Purpose of the Agreement

Article 1

For the purposes of this Agreement, the 'Contracting Parties', hereinafter referred to as 'Parties', are MERCOSUR and the Republic of India. The 'Signatory Parties' are the Argentine Republic, the Federative Republic of Brazil, the Republic of Paraguay, the Republica Oriental del Uruguay and the Republic of India.

Article 2

The Parties hereby agree to conclude this Preferential Trade Agreement as a first step towards the creation of a Free Trade Area between MERCOSUR and the Republic of India.

Chapter II
Trade Liberalisation

Article 3

Annexes I and II to this Agreement contain the products on which tariff preferences and other conditions are agreed for the importation from the respective territories of the Signatory Parties.

a) Annex I sets forth the products on which tariff preferences are granted by MERCOSUR to the Republic of India.
b) Annex II sets forth the products on which tariff preferences are granted by the Republic of India to MERCOSUR.

Article 4

The products included in Annexes I and II are classified in accordance with the Harmonised System (HS).

Article 5

Tariff preferences will be applied to all customs duties in force in each signatory Party at the time of importing the relevant product.

Article 6

A 'customs duty' includes duties and charges of any kind imposed in connection with the importation of a good, but does not include:

a) internal taxes or other internal charges imposed consistently with Article III of the General Agreement on Tariffs and Trade (GATT) 1994;

b) antidumping or countervailing duty in accordance with Articles VI and XVI of GATT 1994, the WTO Agreement on Implementation of Article VI of GATT 1994, and the WTO Agreement on Subsidies and Countervailing Measures;

c) other duties or charges imposed consistently with Article VIII of GATT 1994, and the Understanding on the Interpretation of Article II:1 (b) of the GATT 1994.

Article 7

Except otherwise provided for in this Agreement or in GATT 1994, the Parties shall not apply non-tariff barriers to the products included in the Annexes to this Agreement. Non-tariff barriers shall refer to any administrative, financial, exchange-related or other measure whereby a Party prevents or hinders mutual trade by virtue of a unilateral decision.

Article 8

If a Contracting Party concludes a preferential agreement with a non Party, it shall-upon request from the other Contracting Party, afford adequate opportunity for consultations on any additional benefits as granted therein.

Chapter III
General Exceptions

Article 9

Nothing in this Agreement shall prevent any Signatory Party from

taking actions and adopting measures consistent with the Articles XX and XXI of the GAT 1994.

Chapter IV
State Trading Enterprises

Article 10

Nothing in this Agreement shall prevent a Signatory Party form maintaning or establishing a state trading enterprise as understood in Article XVII of GATT 1994.

Article 11

Each Signatory Party shall ensure that any state trading enterprise that it maintains or establishes acts in a manner that is consistent with the obligations of the Signatory Parties under this Agreement and accords non-discriminatory treatment in the import form and export to the other Signatory Parties.

Chapter V
Rules of Origin

Article 12

The products included in Annexes I and II of this Agreement shall meet the rules of origin in accordance with Annex III of this Agreement in order to qualify for tariff preferences.

Chapter VI
National Treatment

Article 13

On matters relating to taxes, fees on any other domestic duties, the products originating from the territory of any of the Signatory Parties shall receive in the territory of the other Signatory Parties the same treatment applied to the national products, in accordance with Article III of GATT 1994.

Chapter VII
Customs Valuation

Article 14

On matters related to customs valuation, the Signatory Parties shall be governed by Article VII of GATT 1994 and the WTO Agreement on the Implementation of Article VII of GATT 1994.

Chapter VIII
Safeguard Measures

Article 15

The implementation of preferential' safeguard measures concerning the imported products which have been accorded tariff preferences established in Annexes I and II shall be carried out according to the rules agreed upon in the Annex IV of this Agreement.

Article 16

The Signatory Parties shall maintain their rights and obligations to apply safeguard measures consistent with Article XIX of GATT 1994 and the WTO Agreement on Safeguards.

Chapter IX
Antidumping and Countervailing Measures

Article 17

In applying antidumping and countervailing measures, the Signatory Parties shall be governed by their respective legislation, which shall be consistent with Articles VI and XVI of GATT 1994, the Agreement on Implementation of Article VI of GATT 1994, and the WTO Agreement on Subsidies and Countervailing Measures.

Chapter X
Technical Barriers to Trade

Article 18

The Signatory Parties shall abide by the rights and obligations set out in the WTO-Agreement on Technical Barriers to Trade.

Article 19

The Signatory Parties shall co-operate in the area of standards, technical regulations and conformity assessment procedures with the objective of facilitating trade.

Article 20

The Signatory Parties shall endeavour to conclude mutual equivalence agreements.

Chapter-XI
Sanitary, and Phytosanitary Measures

Article 21

The Signatory Parties shall abide by the rights and obligations set out in the WTO Agreement on the Application of Sanitary and Phytosanitary Measures.

Article 22

The Signatory Parties agree to co-operate in the areas of animal health and plant protection, food safety and mutual recognition of sanitary and phytosanitary measures, through their respective competent authorities, including, *inter-alia,* by means of equivalence agreements 'and mutual recognition agreements to be concluded taking into account relevant international criteria.

Chapter XII
Administration of the Agreement

Article 23

The Parties agree to create a Joint Administration Committee composed by the MERCOSUR's Common Market Group or its representatives and by India's Secretary of Commerce or its representatives.

Article 24

The Joint Administration Committee shall hold its first meeting' within sixty days of the entry- into force of this Agreement, when it shall establish its working procedures.

Article 25

The Joint Administration Committee shall meet ordinarily at least once every year, at such venues as shall be agreed by the Parties, and extraordinarily at any time, at the request of a Party.

Article 26

The Joint Administration Committee shall adopt its decisions by consensus and shall have the following functions, *inter alia:*

1) To ensure the proper functioning and implementation of this Agreement, its Annexes and additional Protocols, and continuation of the dialogue between the Parties.

2) To consider and submit to the Parties any modifications and amendments to this Agreement.

3) To evaluate the process of trade liberalisation established under this Agreement, study the development of trade between the Parties and recommend further steps to create a Free Trade Area in accordance with Article 2.

4) To perform other functions that may arise from the provisions of this Agreement, its-Annexes and any additional Protocols.

5) To establish mechanisms to encourage .the active participation of the private sectors in areas covered by this Agreement between the Parties.

6) To exchange opinions and make suggestions on any issue of mutual interest relating *to.* areas covered by this Agreement, including future actions.

7) The creation of .subsidiary bodies as maybe necessary, *inter alia* of Customs, Trade Facilitation and-Technical Barriers to Trade, and Sanitary and Phytosanitary Measures.

Chapter XIV
Amendments and Modifications

Article 27

Any Party may initiate a proposal to amend or modify the provisions of this Agreement by submitting such proposal to the. Joint Administration

Committee. .The decision to amend shall be taken by mutual consent of the Parties.

Article 28

The amendments or modifications to the present Agreement shall be adopted by means of. additional Protocols thereto.

Chapter XIV
Settlement of Disputes

Article 29

Any dispute arising in connection with the application of, interpretation of, or non compliance with any provision of this Agreement shall be settled in accordance with the rules established in the Annex V of this Agreement.

Chapter XV
Entry into Force

Article 30

This Agreement shall enter into force thirty days after all Signatory Parties have formally notified, through diplomatic channels, the completion of the internal procedures necessary to that effect.

Article 31

This Agreement shall remain in force until the date of entry into force of the Agreement for the creation of a Free Trade Area between MERCOSUR and the Republic of India unless terminated in accordance with Article 32 below.

Chapter XVI
Withdrawal

Article 32

Should any of the Contracting Parties wish to withdraw from this Agreement, it shall give formal notice of its intention to the other Party at least sixty days in advance. Once withdrawn the rights and obligations assumed by the Party concerned, shall cease to apply, but it shall be bound to comply with obligations in connection with the tariff preferences

established in Annexes I and II of this Agreement for a term of one year, unless otherwise agreed upon.

Chapter XVII
Depositary

Article 33

The Government of the Republic of Paraguay shall be the Depositary of this Agreement for the MERCOSUR.

Article 34

In fulfilment of the Depositary functions assigned in the above Article, the Government of the Republic of Paraguay shall notify the other Member States of MERCOSUR the date on which this Agreement shall enter into force.

Chapter XVIII
Transitory Provision

Article 35

Annexes I to V referred to in this Agreement shall be negotiated expeditiously with view to early implementation of this Agreement.

In Witnes whereof the undersigned being duly authorized thereto by their respective Governments have signed this Agreement.

Done in the city of New Delhi, on this the 25th day of January 2004, in two originals each in the Spanish, Portuguese and English languages, all texts being equally authentic. In case of doubt or divergence of interpretation, however, the English text shall prevail.

Sd/-
(Arun Jaitley)
Commerce and Industry
Minister,
Government of India

Sd/-
(Eduardo Alberto Sigal)
Under Secretary for American
Economic Integration and
MERCOSUR of the Argentine Republic

Sd/-

(Celso Amorim)
Minister of External Relations
of the Federative Republic of
Brazil

Sd/-
(Leila Rachid)
Minister of External Affairs
of the Republic of Paraguay

Sd/-
(Gustavo Vanerio)
Director General of Integration
and MERCOSUR of the Ministry
of Foreign Affairs of the Republic
Oriental del Uruguay

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BRAZIL

318. Agreement between the Government of the Republic of India and the Government of the Federative Republic of Brazil on Exemption of Visa Requirement for Holders of Diplomatic, Official and Service Passports.

New Delhi, January 25, 2004.

The Government of the Republic of India and The Government of the Federative Republic of Brazil (hereinafter referred to as Parties);

Desiring to further promote the development of friendly relations and cooperation between the two countries;

And wishing to facilitate official travels of their nationals;

Have agreed as follows:

Article-1

I. Nationals of either Party, holding valid diplomatic, official or service passports shall be exempt from visa requirements to enter into, transit through, exit from and stay in the territory of the other Party, through their respective international points of entry, for purposes of official duty or tourism, for the maximum period of 90 (ninety) days.

Article 2

Nationals of either Party, who are assigned as members of the diplomatic or consular staff, and are in possession of valid diplomatic, official or service passports, shall not be required to obtain visas to enter into the territory of the State of the other Party and shall be granted an appropriate visa for the period of their assignment, upon notification of the relevant Government within a period of 30 (thirty) days after their arrival.

Article 3

The provisions of Article 2 also apply to the family members of the above mentioned nationals, as well as their dependants, who accompany them during their stay and hold valid diplomatic, official or service passports.

Article 4

This Agreement does not-curtail the right of either Party to deny entry or shorten stay of nationals of either Party considered undesirable.

Article 5

Nationals of either Party who benefit from this Agreement shall abide by the laws and regulations in force in the State of the receiving Party, regarding entry and stay of foreigners throughout the duration of their stay in its territory.

Article 6

1. The Parties shall exchange specimens of their valid passports through diplomatic channels within 30 (thirty) days after signing of this Agreement.

2. If either Party modifies its passports, it shall convey to the other Party, specimens of its new passports, including a detailed description of such documents, at least 30 (thirty) days before they are brought into force.

Article 7

For reasons of security, public order or public health, either Party may temporarily suspend the application of this Agreement, either in whole or in part. Such suspension shall be notified to other Party, through diplomatic channels, as soon as possible.

Article 8

Any difference arising out of the implementation of the provisions of this Agreement shall be settled amicably by consultation or negotiation between the Parties, without reference to any third party or international court.

Article 9

1. The present Agreement shall enter into force 90 (ninety) days after the date of receipt of the second diplomatic Note in which one Party informs the other that all the requirements for entry into force of the Agreement required by their respective nationals legislation have been met.

2. The present Agreement will remain effective for an indefinite period, and may be terminated by either Party by notification through diplomatic

channels. The termination will be effective 60 (sixty) days after the receipt of such notification.

Done at New Delhi on twenty-fifth day of January, 2004 in two originals, in Hindi, Portuguese and English, all texts being equally authentic. In case of any divergence of interpretation, the English version shall prevail.

Sd/-	Sd/-
For the Government of	For the Government of
The Republic of India	The Federative Republic of Brazil

✦ ✦ ✦ ✦ ✦

319. Cooperation Agreement in the field of Tourism between the Government of the Republic of India and the Government of the Federative Republic of Brazil.

New Delhi, January 25, 2004.

The Government of the Republic of India and The Government of the Federative Republic of Brazil (hereinafter referred to as "the Parties")

TAKING into account the bonds of friendship and co-operation between both States;

CONVINCED that tourism is an excellent instrument to promote not only economic development but also understanding, goodwill and friendship between their peoples;

RECOGNIZING the need to promote co-operation between the two States in the area of tourism;

Have agreed as follows'.

Article 1

1. The Parties shall foster and support, on a reciprocal basis, co-operation in the area of tourism, facilitating and encouraging the flow of tourists in both directions. They shall further stimulate the cognisance of their respective eco-tourist attractions.

2. The Parties shall encourage, in accordance with their respective national legislations, co-operation between their official tourist bodies and other counterpart organisations. Such co-operation might include the exchange of information, as well as the transfer of technology in the industry of tourism, the development of joint promotional activities and the exchange of experts and employees from the tourist area.

2. The Parties shall seek to promote co-operation between the private entrepreneurial initiatives of their respective countries, with the aim of developing, tourist infrastructure.

Article 2

1. The Parties shall exchange, through their official Tourist bodies, information on their current national legislations, including laws and regulations on the protection and conservation of their natural and cultural resources, tourist lodging, travel agencies, facilities for fairs and exhibitions, conventions, congresses and other sorts of events in their respective countries.

2. The Parties shall seek to ensure that all tourist organisations in charge of promoting publicity or information will comply with the cultural, historical and social reality of each country. In the area of sustainable eco-tourism, the parties shall encourage the development of projects that ensure the well-being of the populations of both countries.

3. The Parties shall seek, in accordance with their respective national legislations, to facilitate the importing and exporting of documents and materials regarding the promotion of tourism.

4. The Parties shall foster both the discussion and exchange of information on fees, investments, as well as the incentives that each country offers to foreign investors.

Article 3

1. The Parties shall provide for the establishment and operation of official tourist offices of one Party in the territory of the other Party. Official tourist offices shall not carry out any sort of commercial activities.

2. The Parties shall promote co-operation between experts of both countries, with the aim to enhance the level of expertise and professionalism of those involved in the promotion and development of tourism.

3. The Parties shall promote the exchange of information on planning, study programs, methods and systems regarding the training of teachers and instructors in technical subjects, especially in the area of hotel management and operation.

4. The Parties shall encourage tourism students and instructors to take advantage of the opportunities regarding scholarships granted by colleges, universities and training centres of other country.

Article 4

1. The Parties shall prioritise, in the promotion of tourism, those sectors in which their specific needs have been identified, with special emphasis on those areas regarded as more significant in cultural terms.

2. The. Parties shall promote reciprocal visits of media representatives, travel agents and tourism operators, with the aim to ensuring that all information regarding tourist attractions of one country is duly disseminated in the other.

3. Each Contracting Party shall attend, whenever possible, at its own expenses, exhibitions, congresses, fairs and other promotional activities fostered by the other Party.

4. The Parties, in order to accomplish the proposal in paragraph 3, shall exchange their annual schedule of events, either national or international.

Article 5

1. Subject to domestic laws and regulations, the Parties shall perform in accordance with the recommendations of the World Tourism Organisation by encouraging the adoption of suggested standards and practices that whenever applied by the two Governments will facilitate the development of tourism.

2. Subject to domestic laws and regulations, the Parties shall promote their own cooperation and effective participation within the World Tourism Organisation.

3. Subject to domestic laws and regulations, the Parties shall promote efforts so as to prevent touristic activities which might involve sexual abuse as well as others which may affect human dignity.

4. Subject to domestic laws and regulations, the Parties shall exchange

information and results on research and projects accomplished on the scope of the "Enforcement against the Exploitation of sexual Tourism", based on the "Declaration of Sao Vincente for protection of Minors against the sexual Tourism Exploitation" (World Tourism Organisation Valle d.' Aosta' Italy, April 1995)

Article 6

1. The Parties agree that subjects pertaining to tourism and the tourist industry, as well as the results attained by means of mutual co-operation shall be discussed in bilateral meetings by representatives of their respective official tourist bodies. These meetings shall be scheduled through diplomatic channels, as often as necessary, and held in rotation in both countries.

Article 7

1. This Agreement shall enter into force as of the date on which the Parties have notified each other through the appropriate diplomatic channel that the internal legal requirements of each country have been completed.

2. This Agreement shall remain in force for a period of 05 (five) years and shall be extended thereafter for equal periods, unless terminated, through the appropriate diplomatic channel, upon a written three-month previous notice by either Party.

3. This Agreement may also be revised, amended or supplemented by either Party, upon mutual consent, and all amendments to it shall enter into force on the date the official reply, Notice has been received. Disputes concerning interpretation and application of or amendments to this Agreement shall be settled through diplomatic channel.

Done at New Delhi, on 25th January, 2004 in two original, each in Hindi, Portuguese and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

Sd/-
For the Government of
The Republic of India
Name : Arun Jaitely
Designation : Minister for Law and Justice And Minister for Commerce and Industry

Sd/-
For the Government of
The Federative Republic of Brazil
Name : Walfrido Mares Guia
Designation: Minister for Tourism :

✦ ✦ ✦ ✦ ✦

320. Cultural Exchange Programme between the Government of the Republic of India and the Government of the Federative Republic of Brazil for the Years 2004-2005.

New Delhi, January 25, 2004.

The Government of the Republic of India and The Government of the Federative Republic of Brazil (henceforth referred to as "Parties")

Considering their interest in, through cooperation in the cultural area, deepening the friendship and mutual acquaintance between their peoples;

Within the frame of the Cultural Cooperation Agreement signed by the Parties on September 23rd 1968;

Agree on the following Cultural Exchange Programme for the two years 2004-2005:

Article 1
Libraries and Archives

1. The Parties will exchange bulletins and publications of artistic and cultural nature, through their respective National Libraries.

2. The Parties will exchange information on libraries, archives, documentation centres and publishing activities.

3. The Calcutta National Library will exchange, on a basis of reciprocity, publications and other materials, including microfilms, of mutual interest with like institutions in Brazil.

4. The Indian National Archives will offer training in conservation and restoration for Brazilian officials at the School of Archival Studies.

5. Both Parties will exchange books, newspapers, microfilms and archive materials to assist academics in their fields of studies.

Article 2
Photography

The Parties will exchange information and technical publications on centers for photographic conservation and preservation.

Article 3
Theatrical Arts

1. The Parties will promote the exchange of Theatrical Art performances.

2. Both sides will facilitate the exchange of audio and video recordings, photography, slides and publications on the theatrical art.

3. Both Parties will exchange theatrical directors, designers and students among their respective institutions.

Article 4
Music

The Parties will promote visits of musicians for performances in festivals and / or for imparting courses or musical workshops.

Article 5
Literature

1. The Parties will stimulate the translation of selected works of important writers of their respective countries.

2. Both Parties will encourage their respective presence in Book Fairs within the territory of the other Party, including the sending of writers.

Article 6
Exhibitions

1. The Parties will exchange exhibitions of art and information on exhibitions and cultural festivals undertaken in each of the two countries.

2. The Indian Party intends to send to Brazil an exhibition of contemporary art of the National Gallery of Modem Art (New Delhi) collection, to be accompanied by a curator. In exchange, the Indian Party is willing to receive an exhibition of Brazilian contemporary art, equally accompanied by a curator.

3. The Parties will participate in International Fine Arts Shows, biennials and triennials, undertaken in each of the two countries. The Brazilian organizers of fine arts exhibitions, biennials and triennials will send invitations to the Ministry of Culture in India for the indication of their representatives, through the submission of resumes and proposals.

Article 7
Cinema

1. The Parties will encourage the participation of Brazilian films in film festivals in India and of Indian films in Brazilian Festivals. They will also endeavour to hold a Brazilian film week in India and of Indian films in Brazil. The Parties will analyze the possibility of undertaking joint distribution of Indian and Brazilian films.

2. The Parties will exchange films, data, researches and studies on Cinema.

Article 8
Museums

1. The Parties will stimulate the cooperation among their museums and will contribute to the exchange of information and experiences in the conservation and restoration of cultural monuments and in the management of public museums.

2. The Parties will contribute to the exchange of information, and documentation as well as of technicians and collections of their respective museums. The conditions of such exchange will be defined directly by the interested institutions.

3. Both sides will exchange visits of the Directors of their respective National Museums or Natural History Museums to evaluate the potential for bilateral cooperation among their institutions in different areas of museology.

4. Both Parties will encourage the cooperation among their respective institutions in the field of archaeology, through the exchange of two or three specialists, in order to study and research matters relative to archaeological sites and museum artifacts.

Article 9
Cultural Heritage

1. The Parties will organize exhibitions representative of their national cultural heritage based on specific agreements, signed by the interested institutions. They will also encourage the exchange of professionals in this

field, so that they get acquainted with their respective experiences in the identification, protection, promotion and management of national cultural heritage.

2. The Parties will stimulate contacts among national institutions on the conservation of cultural monuments and to exchange information and documentation in the area of preservation and evaluation of cultural treasures. They will equally facilitate the participation of their respective specialists in international meetings organized by the other Party.

3. The Parties will cooperate and exchange information on the repression of the illegal imports and exports and the trafficking of cultural treasures, in conformity with the UNESCO Convention on the subject.

4. The Parties will explore the possibility of working jointly for the protection and promotion of the intangible cultural heritage of their peoples.

Article 10
Copyrights and Connected Rights

The Parties will reinforce the cooperation for the development and perfecting of the legislation and the system for the protection of copyrights especially those referring to the social function of the System of Intellectual Property, with emphasis on the aspects relating to the creative field of the authors of both countries.

Article 11
Financial Dispositions

1. The financial conditions for the implementation of the cooperation mentioned in the present Exchange Programme will be negotiated, case by case, directly between the interested institutions or through diplomatic channels. Likewise, it would be possible to have the partnership of private and public enterprises, as per their respective national laws giving incentive to culture.

2. The present programme will come into force on the date of its signing and will remain in force until December 31st 2005 or until a new one substitutes it.

Done in New Delhi, on January 25th, 2004, in two originals, in the

Hindi, Protuguese and English Languages, all the texts being equally valid.

Sd/-	Sd/-
For the Government of	For the Government of the
The Republic of India	Federative Republic of Brazil

✦ ✦ ✦ ✦ ✦

321. Framework Agreement between the Government of the Republic of India and the Government of the Federative Republic of Brazil on Cooperation in the Peaceful Uses of Outer Space.

New Delhi, January 25, 2004.

The Government of the Republic of India and the Government of the Federative Republic of Brazil (hereinafter referred to as the "Parties"),

DESIRING to strengthen the traditional relations of friendship and cooperation between the two countries;

RECOGNISING the mutual interest in enhancing the peaceful uses of outer space;

SEEKING to preserve outer space exclusively for peaceful purposes open to wide international cooperation;

CONSIDERING the terms of the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and Other Celestial Bodies, of January 27, 1967, and of other Multilateral Treaties and Agreements on the exploration and use of outer space to which both States are parties;

DESIRING to establish effective forms of bilateral cooperation in the field of space activities, that would promote social, economic and cultural development for the benefit of the peoples of their countries;

AIMING to encourage commercial and industrial cooperation between the private sectors of both countries in the space field.

HAVE Agreed as follows:

Article 1
Applicable Law

In accordance with the legislation in force in each State and universally accepted norms and principles of international law, the Parties shall promote the cooperation between the two countries in the field of outer space research and use of outer space for peaceful purposes.

Article 2
Implementing Agencies

1. The Parties shall appoint the Indian Space Research Organisation (ISRO) and the Brazilian Space Agency (AEB) respectively as the Implementing Agencies responsible for the development, coordination and control of cooperation envisaged by the present Agreement.

2. The Parties or the Implementing Agencies within the limits of their competence may designate other institutions to develop cooperative programs in areas enumerated in Article 3 below.

Article 3
Areas of Cooperation

1. Cooperation within the framework of the present Agreement may be carried out in the following areas:

a) basic space science, meteorology, remote sensing techniques and applications, space telecommunications techniques and applications, geophysics and space, radio sciences, aeronomy, space biotechnology, ionosphere and space plasma;

b) scientific and technological space instrumentation;

c) development of micro-satellites and mini-satellites for scientific and commercial goals;

d) research and development of on-board systems for remote sensing;

e) joint research and development activities, construction, production, launch operation and utilization of satellites and other space systems;

f) ground infrastructure for space system.

g) study of cooperative programs in satellites, use of sounding rockets, balloon: and ground based facilities intended for space research and applications of space technology;

h) operations of satellite ground stations and satellite mission management;

i) organisation of training facilities and programs;

j) exchange of technical and scientific personnel designated to participate in the studies and joint working groups set up to examine specific issues.

2. Additional areas of space cooperation shall be determined by mutual agreement between the Parties.

Article 4
Forms of Cooperation

1. Cooperation within the framework of the present Agreement may be carried out in the following forms:

a) planning and implementation of joint space projects;

b) implementation of personnel training programs and assistance for the participation of scientific and technical staff in joint projects;

c) exchange of scientists and technical persons;

d) exchange of equipment, documentation, data, results of experiments and scientific and technological information;

e) development of industrial and commercial programs in the areas of study and utilization of space systems and satellite launch services;

f) utilization of satellite launch vehicles and other space systems for the implementation of joint activities;

g) organisation of symposia and other joint scientific meetings.

2. Additional forms of cooperation shall be determined by mutual agreement between the Parties.

Article 5
Implementing Arrangements and Cooperative Programs

1. For the implementation of the present Agreement the Parties may conclude Implementing Arrangements.

2. The Implementing Agencies and other appointed institutions may, subject to procedures established by the legislation of their respective States, agree on specific Cooperative Programs, which will determine the principles, rules and procedures related to the organization, implementation and, if necessary, financial support to such programs.

3. Upon mutual agreement, the Parties, their Implementing Agencies and other appointed institutions may enlist the participation of governmental and private institutions, firms and natural persons from third countries in the Cooperative Programs carried out within the framework of the present Agreement.

Article 6
Working Groups

For the purposes of achieving the goals of the present Agreement, the Parties or, upon their authority, the Implementing Agencies and other, appointed institutions may, if judged necessary, establish bilateral technical working groups.

Article 7
Participation of the Private Sector

The Parties shall facilitate the establishment and the development of cooperation on the areas of research and use of outer space for peaceful purposes, as well as on the application of space systems, between the state or private industrial and commercial organizations or enterprises of both countries, assuring appropriate conditions for their participation in the Cooperative Programs developed within the framework of the present Agreement.

Article 8
Principles of Financing

1. The principal Implementing Agencies and other appointed institutions will be responsible for funding the costs of their respective partial

responsibilities in the Cooperative Programs undertaken under this Agreement.

2. The Cooperative Programs foreseen by the present Agreement will take into account the interests of the Parties and Implementing Agencies, their respective industrial and commercial policies, and will be subject to available funds.

Article 9
Intellectual Property

Unless otherwise agreed to by the Parties, their Implementing Agencies and other appointed institutions in the Implementing Arrangements and Cooperative Programs the treatment of intellectual property created or furnished in the course of joint activities carried out under this Agreement is provided for in the Annex to the present Agreement, which shall form an integral part thereof.

Article 10
Exchange of Information

1. Observing the conditions of confidentiality envisaged in the Annex, the Parties, their Implementing Agencies and other appointed institutions shall provide access, on a mutual basis and within a reasonable time, to the results of scientific research and work jointly carried out within the framework of this Agreement. To that end, they shall encourage the exchange of corresponding scientific and technical information and data, which cannot be transferred to third parties without prior mutual consent.

2. The Parties, through their Implementing Agencies according to their national law concerning the information of limited access, shall facilitate the mutual exchange of information concerning the basic directions of their respective national space programs.

Article 11
Customs Regulations and Exchange of Personnel

1. Subject to its respective national legislation, each Party will:

a) arrange for duty-free entry of equipment required for the implementation of the Cooperative Programs carried out within the framework of this Agreement;

b) regarding the exchange of personnel, take necessary measures to facilitate the documentation for entry, stay and exit for the other Party's nationals who enter, stay and exit within its territory in order to carry out activities under Cooperative Programs established under this Agreement.

2. Such arrangements shall be fully reciprocal.

Article 12
Liability

1. The Parties and their respective Implementing Agencies commit to the establishment, as part of each Implementing Arrangement and Cooperative Program, of a specific system of assuming responsibility for the respective losses and damages. The Parties shall ensure, consistent with their respective national laws, that contractors, subcontractors and other participating entities associated with the Parties take part in this particular system of responsibility.

2. In the event of claims arising out of the Convention on International Liability for Damage Caused by Space Objects of March 29, 1972, the Parties will consult promptly on the application of the relevant articles of the mentioned Convention.

Article 13
Settlement of Disputes

Any disputes concerning the interpretation and implementation of the present Agreement shall be settled by means of direct negotiations between the Parties or by any other means agreed upon by the Parties and recognized by International Law.

Article 14
Final Provisions

1. The present Agreement shall enter into force on the date of last notification upon the fulfillment by the Parties of their internal legal procedures necessary for this purpose.

2. The present Agreement will remain in force for a period of ten (10) years and shall be automatically extended for subsequent ten (10) year periods. This Agreement may be terminated by either Party through a

diplomatic Note. The denunciation shall take effect six (6) months following the date of the notification.

3. In the event of the termination of the present Agreement, its provisions shall continue to apply to all unfinished programs and projects if the Parties do not agree otherwise. The termination of the present Agreement shall not serve as the basis for the revision or termination of obligations of a financial or contractual nature still in force and shall not affect the rights and obligations of legal persons and citizens which have arisen before the termination of the present Agreement.

Done in New Delhi, on January 25, 2004, in two original copies, each in the Hindi, Portuguese and English languages, all three texts being equally authentic. In case of any divergence of interpretation, the English version shall prevail.

Sd/-	Sd/-
For the Government of the	For the Government of the
Republic of India	Federative Republic of Brazil

Annex

Intellectual Property

For the purposes of the present Agreement the term "intellectual property" will have the meaning found in Article 2 of the Convention establishing the World Intellectual Property Organization, signed in Stockholm on 14 July 1967.

For the purposes of the present Annex the term "cooperating organizations" shall mean Implementing Agencies and other appointed institutions.

The Parties take the obligation to ensure an effective protection of intellectual property obtained within the framework of cooperative projects carried out under this Agreement.

The cooperating organizations shall inform one another in a timely fashion of any inventions or copyrighted works arising under this Agreement and to seek protection for such intellectual property in the shortest time possible.

1. Scope

A. The present Annex applies to all forms of cooperative activity performed within the framework of this Agreement, except as otherwise agreed in the written form by the Parties.

B. The present Annex shall regulate the allocation of rights between the Parties or cooperating organizations. Each Party will ensure that the other Party or its cooperating organizations can obtain .the rights to intellectual property allocated in accordance with this Annex.

C. This Annex does not otherwise alter or prejudice the allocation of rights between a Party and its participants, which will be determined by that Party's national legislation and practice. In the same way, the present Annex does not alter the relations among cooperating organizations of each Party and relations between the Parties and these organizations. Furthermore, it will not prejudice the international obligations of the Parties.

D. All intellectual property rights acquired earlier or being the result of independent research shall not be altered by the terms of the present Annex.

E. Disputes concerning intellectual property arising under this Agreement should be resolved through amicable discussions between the cooperating organizations or, if judged necessary, the Parties or their designees. If such a dispute cannot be resolved within a period of six months following the request for such discussions and in the absence of mutual agreement concerning other methods of dispute settling, it shall be referred at the request of either Party for final decision to a tribunal of arbitrators, one to be named by the Party which initiated the arbitration procedures, one to be named by the other Party and the third, who shall be the Chairman, to be chosen jointly by the first two; if either Party fails to appoint an arbitrator within 60 days of appointment by the other Party, or if these arbitrators should fail to agree on the third arbitrator within 60 days of their appointment, the President of the International Court of Justice may make any necessary appointments at the request of either Party. The decisions of the tribunal of arbitrators are final and are not subject to protest. Each Party covers the expense of its arbitrator and its lawyer during the process in court. The expenses of the Chairman of the arbitration court and other expenses are covered by both Parties equally.

F. The termination or expiration of the present Agreement will not affect rights or obligations previously acquired within the framework of this Annex.

II. Grant of Rights

A. Unless otherwise agreed by the Parties, their Implementing Agencies and Cooperative Programs, the rights of intellectual property will be allocated with due regard for the economic, scientific and technological contributions from each Party to the creation of this intellectual property.

B. Copyright extends to publications. The Parties or their Implementing Agencies will be entitled to a non-exclusive, irrevocable, royalty-free license in all countries to translate, reproduce and publicly distribute scientific and technical journal articles, reports and books directly arising from cooperation carried out under this Agreement. All publicly distributed copies of a copyrighted work prepared under this provision will indicate the names of the authors of the work.

C. Rights to all forms of intellectual property, other than those rights described in section II-A above, will be allocated as follows:

1. Any intellectual property rights that may result from the activities of individuals under the terms of this Agreement shall be entitled, as well as the respective royalties shall be earned, either by their institutions or themselves, from licensing of the property, according to the laws and regulations of each Party.

2. For intellectual property created during joint activities with the participation from the two Parties, each Party will be entitled to obtain all rights and interests in its own country.

3. Rights and interests in third countries will be determined in specific Implementing Arrangements or Cooperative Programs concluded pursuant to Article 5 of this Agreement.

4. If a research or activity is not designated as "joint research" or "joint activity" in the relevant Implementing Arrangements or Cooperative Programs concluded pursuant to Article 5 of this Agreement, rights to intellectual property arising from such research or activity will be the object of agreements to be negotiated between the Parties or their cooperative organizations.

5. In the event that a joint research project under this Agreement will lead to creation or grant of intellectual property of a type not protected by the applicable laws of one of the Parties, the Parties shall immediately hold discussions with a view to arriving at a mutually acceptable solution.

III. Software

A. The totality of property rights to software jointly developed and/or jointly financed within the framework of cooperative activities shall be distributed between the cooperating organizations, taking into account their respective contribution to its elaboration and financing.

B. The allocation of remuneration generated by the commercial use of the software jointly developed and/or jointly financed can also be determined by separate agreements or contracts.

IV. Confidential Information

A. Confidential information, shall be designated as such in an appropriate manner. The responsibility for such a designation shall rest upon the Party or cooperating organization which demands such confidentiality. Each Party or cooperating organization shall protect such information in correspondence with applicable laws and regulations of its State.

B. The term “confidential information” shall refer to any know-how, any technical data or financial information, independent of the form and media m which it is passed on, useful for the purposes of carrying out activities within the framework of the present Agreement and which fulfill the following conditions:

1. the possession of this information may ensure gains, in particular of an economic, scientific or technical character, which represent an advantage in competition with persons who do not possess it;

2. this information is not generally known or publicly available from other sources;

3. this information was not earlier passed on by its possessor to a third person without the previous obligation to maintain its confidentiality;

4. this information is not already at the receiver’s disposal without the previous obligation to maintain its confidentiality.

C. Confidential information may be passed on by the Parties or cooperating organizations to their own employees, whenever it is not otherwise envisaged in separate agreements or contracts. Information given in this way may be used only within the limits of the sphere of application of Implementing Arrangements and Cooperative Programs, which shall envisage the conditions and time limits of application of such provisions on confidentiality.

D. The Parties and cooperating organizations are obliged to take all necessary measures in relation to their employees, basic performers of work and subcontractors for the observance of the obligations on safeguarding confidentiality determined above.

V. Third Parties

The grant of the results of joint research to third parties shall be the subject of a written understanding between the Parties or their respective cooperating organizations. Such understanding will determine the rules for the diffusion of such results to third parties.

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322. New Delhi Declaration between India and Brazil issued on the occasion of the visit of the Brazilian President to India.

New Delhi, January 27, 2004.

1. At the invitation of the President of India, H. E. Dr. A.P.J. Abdul Kalam, the President of The Federative Republic of Brazil, H. E. Mr. Luiz Inácio Lula da Silva, paid a State Visit to India from January 25-28, 2004 and was the Chief Guest on the 55th Republic Day functions. Besides the First Lady, the President of Brazil was accompanied by the Minister of External Relations, Ambassador Celso Luiz Nunes Amorim, Minister of Development, Industry and Foreign Trade, Mr. Luis Fernando Furlan, Minister of Planning, Mr. Guido Mantega, Ministser of Tourism, Mr. Walfrido Mares Guia, the Chairman of the Brazil-India Parliamentary Friendship Group in the Brazilian Congress, Mr. Abelardo Lupion as well as other Congressmen and representatives of the private sector.

2. Within the framework of the visit, H. E. Mr. Luiz Inácio Lula da Silva held fruitful discussions with H. E. Dr. A.P.J. Abdul Kalam, the President of the Republic of India, H.E. Mr. A.B. Vajpayee, Prime Minister of India. Minister of External Affairs of India, Mr. Yashwant Sinha, Minister of Defence Mr. George Fernandes, Minister of Commerce and Industry, Mr. Arun Jaitley and the Leader of the Opposition in the Lok Sabha, Mrs. Sonia Gandhi, called on President Mr. Luiz Inácio Lula da Silva.

3. Brazil and India agreed that the visit to India of President Luiz Inácio Lula da Silva as Chief Guest on the occasion of the Republic Day signaled a new phase in bilateral relations given the common determination to fully utilize the substantial potential and opportunities for deepening mutually beneficial cooperation, to promote socio-economic development and prosperity of both India and Brazil, to strengthen multi-polarity at the international level and to enhance the positive factors of globalisation.

4. During the wide-ranging discussions held in a friendly and cordial atmosphere, both sides exchanged views on various bilateral, regional and international issues of mutual interest.

5. Both sides noted with satisfaction that India-Brazil relations, which have a strong historical basis, are marked by cordiality and a high degree of understanding and close proximity on current principal issues. Both sides reiterated their desire to strengthen bilateral relations based on the close ties between the two countries.

6. Both sides agreed that personnel exchanges and friendly contacts between Ministries, Parliament and political parties of the two countries should be further enhanced.

7. India noted the achievements of Brazil in contributing to the strengthening of Latin American regional organizations such as MERCOSUR and ALADI. Brazil noted India's contributions to strengthening regional and sub-regional organizations like SAARC and BIMST-EC and its increasing close cooperation with ASEAN. In this connection, both sides recognized that considerable potential exists for India and Brazil to undertake mutually beneficial cooperation with each other in various sectors.

8. Brazil and India are countries with rich untapped natural resources and emerging infrastructural requirements. Given their varied experience

in high technology and industrial areas, they could, in a spirit of South-South cooperation, share expertise in areas such as railways, highways, waterways and aviation as well as in other priority areas identified by them.

9. Brazil and India expressed their satisfaction about the evolution of their bilateral trade, which over the last two years, reached a level higher than US$ 1 billion per annum. However, they also recognise that, in view of the size of the economies of both countries, there is a wide scope to enlarge bilateral exchanges and reciprocal investments, and that there is a vast potential for the integration of their production systems[1]. In his meeting with Prime Minister A. B. Vajpayee, President Luiz Inácio Lula da Silva praised advances made by the Indian pharmaceutical industry, which is participating as a supplier of medicines for HIV/AIDS treatment for the National Health Programme of the Brazilian Government. Prime Minister Vajpayee mentioned the competence of the Brazilian aeronautical industry, recalling the recent purchase of Brazilian aircrafts by the Indian Government. Both Parties considered that the success achieved by both countries in pharmaceutical and aeronautical fields will serve as a model for other high-tech industries to emulate and to join the flow of bilateral commerce. Hence, they expressed satisfaction at the support being extended by the Confederation of Indian Industries, the Indian Federation of Chambers of Commerce & Industry and Brazil-India Chamber of Commerce in bringing businessmen from both countries closer.

10. The two Governments expressed their satisfaction with the signing

1. As an evidence of growing bilateral economic relations between the two countries, it was noted that the two-way trade between the two countries reached a record US $ 1.227 billion (export from India were US $ 573.25 million while Brazilian exports to India were US $ 653.6 million) during the year 2002. The bulk of Brazil exports to India constitute crude oil, soya oil, auto parts, sugar and inorganic chemicals. The bulk of Indian exports to Brazil constitute diesel oil, pharmaceuticals, engineering goods and related products, textiles, dyes and pigments and rubber. India – Brazil trade during the first eleven months of the year 2003 reached US $ 986.63 million (exports from India US $461.30 million and Brazilian exports to India US $525.33 million). In April 2002 India and Brazil established an India – Brazil Commercial Council comprising officials and businessmen to promote bilateral trade and investments. The Council had its first meeting in New Delhi in April 2002. India has also proposed a Preferential Trade Agreement with MERCOSUR. India has organized two trade fairs in Sao Paulo in 1996 and 2001. An Indian Engineering Exposition (India-tech) was also held in Sao Paulo from 11 – 14 November 2003. Indian companies and Export promotion bodies regularly participate in trade fairs in Brazil mostly in Sao Paulo. Brazil has acknowledged India's proven expertise in diverse knowledge-based industries, including Software, Biotechnology, Oceanography, Space etc and is interested in working with both Indian government agencies and private sector in related areas.

of the Preferential Trade Agreement between MERCOSUR and India and reiterated their priority they attach to the expeditious conclusion of its annexes, which will constitute an important stimulus for trade relations between India, Brazil, Argentina, Paraguay and Uruguay.

11. Both Parties recalled the visit of the Brazilian Defence Minister, Ambassador Jose Viegas Filho to New Delhi in December 2003, and the signing of a Defence Co-operation Agreement between India and Brazil on that occasion. The two countries will continue to consult each other in identifying projects of mutual interest.

12. The visit provided an opportunity for the first meeting of the India-Brazil Common Agenda for Environment which lays emphasis on the need for close co-ordination of positions between the delegations of the countries in multilateral fora related to environment and sustainable development. They welcomed the holding of the India-Brazil Ministerial Meeting on Sustainable Development with participation of governmental experts, academics, the private sector and representatives of civil society, which provided a forum for discussing issues for future bilateral cooperation in the area of cleaner production technologies.

13. Both parties welcomed the proposal of India to organize the first ever "Weeks of Indian Culture" in Brazil in the first half of 2005, the principal highlight of which would be an exhibition of Indian Art in the city of Sao Paulo. The Brazilian Government offered to encourage state level and private sector support for the Indian cultural events.

14. The following agreements were signed during this State Visit :-

(i) Co-operation Agreement in the field of Tourism between the Government of the Federative Republic of Brazil and the Government of the Republic of India.

(ii) Framework Agreement between the Government of the Federal Republic of Brazil and the Government of the Republic of India on Co-operation in the Peaceful Uses of Outer Space.

(iii) Agreement between the Government of the Republic of India and the Government of the Federative Republic of Brazil on Exemption of visa requirement for holders of Diplomatic and Official/Service Passports.

(iv) Cultural Exchange Programme between the Government of the

Republic of India and the Government of the Federative Republic of Brazil for the Years 2004-2005.

(v) Programme of Cooperation between the Indian Space Research Organisation and the Brazilian Space Agency for the year 2004.

(vi) Preferential Trade Agreement between MERCOSUR and the Republic of India.

15. The Agreement on Co-operation in the Peaceful Uses of Outer Space provides for co-operation in areas like receiving and collecting data from the Indian Remote Sensing satellite through ground automatic platforms and ground infrastructure in Brazil, possibility of launching of the Brazilian micro-satellite EQUARAS from India and also covers cooperation in other areas of mutual interest.

16. Both sides emphasized the need for creating better awareness of each other's strengths within the private sector of the two countries. Trade missions would be undertaken and participation in trade/commercial exhibitions in both countries would be encouraged. In keeping with these objectives, they welcomed the intention of the apex Indian industry association, CII (Confederation of Indian Industry) to establish an office in Brazil.

17. India and Brazil face special and similar challenges in their efforts to protect the environment while simultaneously forging ahead with rapid social and economic development of their countries. In this context, the two sides agreed to work together in a practical manner to cooperate on preserving the environment and ensuring sustainable development and to coordinate positions on climate change, bio-diversity and other issues in relevant multilateral fora.

18. Both countries expressed concern over the non-entry into force of the Kyoto Protocol and emphasized the importance of UN-centred multilateral cooperation to combat climate change based on the principle of common but differentiated responsibilities among countries. The development of clean technologies was also identified as one of the most relevant means to combat the increase of greenhouse gases into the atmosphere which lead to global warming.

19. Both countries highlighted the importance of negotiating an international regime to promote and safeguard the fair and equitable sharing

of benefits under the Convention on Biological Diversity. This should ensure that the benefits arising out of the commercial use of genetic resources would accrue to the countries of origin. They also emphasized the need for a legally binding instrument for protecting intellectual property rights to traditional knowledge and folklore. United by their shared interest in fulfilling the objectives of the Group of Like-Minded Mega-diverse developing countries, Brazil and India agreed to strengthen co-ordination and co-operation particularly during the period of the Indian presidency of the group, with emphasis on multilateral negotiations and in fostering activities related to South-South Co-operation.

20. Both sides reaffirmed their commitment to promote the formation of an equitable multi-polar world order based on the principles of rule of law and equality, territorial integrity and non-interference in domestic affairs of States with a view to removing threats to stability and international security.

21. Brazil and India, being large democracies, and developing countries of continental size, have been playing a constructive role in international affairs and maintaining friendly relations with other countries. They are both committed towards a just and equitable international order. The two countries are unique in their respective regions and in the global sphere in view of their similarities and profile and potential. Considering these commonalities and convergences, the partnership between the two countries is natural.

22. Both sides strongly opposed unilateral use or the threat of use of force in violation of the UN Charter, as well as interference in internal affairs of other states.

23. The two sides acknowledged the vital importance of the role of the United Nations in world peace, stability and development. They are determined to continue their efforts in strengthening the UN system as the central mechanism for ensuring international peace and security as well as democratizing international relations. They reiterated their support for the need to reform the UN, particularly the expansion of the UN Security Council and reform of the Economic and Social Council. They stressed, in particular, the need for equitable balance in the expanded Security Council to provide a constructive voice to the aspirations of the developing countries. They believed that piecemeal and discriminatory approaches to such expansion will be inconsistent with the objectives of that world body. Both Governments share the understanding that the UNSC reform should result

in the increase of its permanent as well as non-permanent membership, with greater participation of the developing countries in both categories. Considering that India and Brazil are large democracies and developing countries of continental size, that have been making contributions to the promotion of peace, the two countries extend mutual support to each other as appropriate, strong and deserving candidates for a permanent seat in an expanded UN Security Council.

24. India and Brazil, as two vibrant democracies, recognized the serious threat of terrorism confronting democracies and open societies. The two sides affirmed that international terrorism is a threat to peace and security, a grave violation of human rights and a crime against humanity. They affirmed that terrorism cannot be justified in any form, for any cause, on any political, ideological, philosophical, racial, ethnic, religious, social or economic grounds. They agreed that the fight against terrorism by the international community has to be global, comprehensive and a sustained one, with the ultimate objective of eradication of terrorism in all regions. In this context, both Governments expressed their conviction that transnational organised crime, illegal traffic of weapons, narcotics and drugs and terrorism in all its forms and manifestations should be combated through the co-ordinated action of members of the international community, together with concerned international organisations, based on respect for national sovereignty and International Law.

25. The Brazilian side appreciated the evolving security concerns of India in the light of recent local, regional and global developments. It appreciated the initiatives taken by India to resume diplomatic relations with Pakistan. In this connection, the Brazilian side supported the peaceful resolution of differences between India and Pakistan through bilateral dialogue. The Brazilian side welcomes the recent Indo-Pak Joint Statement at Islamabad. In this context, Brazil supports the peaceful resolution of differences between India and Pakistan through a sustained and productive dialogue in an atmosphere free from terrorism, addressing all issues.

26. Both Governments reaffirmed their commitment to uphold the principles of the Doha Development Agenda of WTO and to their membership of the G-20. They viewed the results of the Ministerial meeting of the Group in December 2003 in Brasilia as an eloquent manifestation of

the desire of G-20 members to continue to co-ordinate their positions that reflect the vital interests of the developing countries in the search for a just and equitable international trading system. Both Governments reiterated their commitment to multilateralism, and confidence in the success of the Doha Round of negotiations.

27. Brazil and India reiterated their commitment to making India-Brazil-South Africa (IBSA) Dialogue Forum a creative and operative forum. They expressed the hope that the First Meeting of the Trilateral Commission, in March 2004 in New Delhi will constitute an important landmark for launching concrete projects of trilateral co-operation in various areas of the Dialogue Forum. In this context, they also considered that the exchange of information and proposals made in New Delhi on January 6 was an important step for identifying concrete projects of trilateral cooperation for the benefit of the socially vulnerable populations of the three countries. They also highlighted the importance of the approval of IBSA Financial Fund under the UN Development Programme (UNDP) by the three countries, which will finance the implementation of successful social and economic programmes in other developing countries who want to repeat such experiences.

28. Brazil and India reiterated that efforts to eradicate hunger and poverty which still exists in some parts of the world is a multi-dimensional task that calls for coordinated action at national and international levels including through employment generation, access to education for all, food security, improved health standards and sustainable development for the benefit of their peoples as well as those of other developing countries. In this context, they emphasised their commitment to adopting policy measures in conformity with the goals set at UN Millennium Summit and for according priority to the promotion of social equity and inclusiveness, as mentioned in the Brasilia Declaration.

29. The President of Brazil, H.E. Mr. Luiz Inacio Lula da Silva extended invitations to the President of the Republic of India, H.E. Dr. A.P.J. Abdul Kalam, and to the Prime Minister of the Republic of India, H.E. Mr. A.B. Vajpayee, to visit Brazil at an early date. The invitations were accepted with pleasure. The dates of the visits would be finalized through diplomatic channels.

30. On behalf of the Government and the people of Brazil, H.E. President

Mr. Luiz Inacio Lula da Silva expressed sincere thanks to the Government of the Republic of India for all the hospitality extended to him and his delegation and the excellent arrangements made for their visit to India.

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323. Press conference by Foreign Secretary Shashank on the meeting of the India - Brazil - South Africa Dialogue Forum.

New Delhi, March 2, 2004.

Please see Document No. 279.

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324. India - Brazil - South Africa Dialogue Forum Trilateral Commission meeting - Plan of Action.

New Delhi, March 5, 2004.

Please see Document No. 280.

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325. Joint Declaration issued at the end of the India-Brazil-South Africa Dialogue Forum Trilateral Commission meeting: Agenda for Cooperaion.

New Delhi, March 5, 2004.

Please see Document No. 281.

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EL SALVADOR

326. Memorandum of Understanding on Consultations between the Ministry of External Affairs of the Republic of India and the Ministry of External Relations of the Republic of El Salvador.

New Delhi, February 2, 2004.

The Ministry of External Affairs of the Republic of India and the Ministry of External Relations, of the Republic of El Salvador hereinafter referred to as The Parties';

WILLING to increase the co-operation and mutual understanding between the two countries,

DESIRING to strengthen the friendly relations between both countries;

CONSIDERING the usefulness of the consultations as well as the exchange of opinions at different levels regarding the bilateral relations and international issues of mutual interest;

WISHING to facilitate the mutual beneficial co-operation:

Have reached the following understanding;

The Parties will have consultations on a regular basis in order to review all the aspects of the bilateral relations and undertake to exchange points of view regarding international issues, interaction at the international arena and issues of mutual interest.

The consultations will also focus on all the aspects of the bilateral relations between India and El Salvador, especially in the areas of political, economic, commercial, scientific, technical and cultural co-operation. These meetings will be held at the Ministerial/Senior level official, according to the mutual convenience and agreement.

The date, place and agenda of the consultations will be determined between the two Parties through the diplomatic channels.

The current Memorandum of Understanding shall enter into force on the date of its signature and will continue into force unless one of the parties provides a written notice, six months in advance of its intention of terminating this Memorandum of Understanding.

In witness whereof the following representatives duly authorized thereto have signed this Memorandum of Understanding.

Done at New Delhi on the 2nd day of February of the year 2004 in two original copies each in Hindi, English and Spanish languages, all texts being equally authentic, in case of disagreement, the text in English will prevail.

Yashwant Sinha
Minister of External
Affairs of the
Republic of India

Maria Eugenia Brizuela de Avila
Minister of External Relations of
the Republic of EI Salvador

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327. Press release of the Ministry of External Affairs on the Visit of Minister of State Rao Inderjit Singh to El Salvador.

New Delhi, September 10, 2004.

Rao Inderjit Singh, Minster of State for External Affairs visited El Salvador from September 8 to 9, 2004. The visit is the first ever by a Minister of State from India to this Central American country which is also the Headquarters of SICA (Central American System of Integration). In San Salvador, the capital of El Salvador, the Minster of State had substantive and friendly talks with Francisco Lainez, Minster of External Relations of El Salvador, covering a wide gamut of issues on matters of bilateral, regional and international interest to the two countries.

The two sides also exchanged views on reforms at the United Nations and India's aspirations and credentials at the UNSC, the attractions of El Salvador as a prime investment destination, regional developments in Central America including CAFTA - the Central American Free Trade Agreement with the US, constraints placed on Indian travelers on account of the visa formalities and the need to address this challenge, the interest of El Salvador to learn from India in areas ranging from information technology and education to assisting in the rural and SMME sector.

The Indian side also extended an invitation to the Foreign Minister to lead a business delegation to India. The meeting was held in an extremely cordial and friendly atmosphere.

Rao Inderjit Singh also met the Secretary General of SICA, Oscar Santamaria and his team at the SICA headquarters in San Salvador where again an extremely productive meeting took place throwing up areas of possible cooperation between India and SICA member countries including in Information Technology, tourism, infrastructure, drugs and pharmaceuticals to name a few.

MOS Rao Inderjit Singh also called on Ana Vilma Escobar, the Vice President of El Salvador, the first woman to assume this post in her country. The meeting which lasted for over 40 minutes was held in an extremely cordial and friendly atmosphere. The Vice President expressed her admiration for India and the achievements in diverse fields and conveyed her country's interest in working with and learning from India. MOS also

visited PROESA, the Investment Promotion Authority of El Salvador and received a useful briefing from the Executive Director Patricia Figueroa.

The visit to El Salvador was the final leg of a four-nation tour commencing with Panama to attend the inauguration of the new President and then on to Colombia and the Dominican Republic and concluding with El Salvador.

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JAMAICA AND GRENADA

328. Press release of Ministry of External Affairs announcing Indian relief assistance to Jamaica and Grenada.

New Delhi, September 24, 2004.

The Government of India has decided to give relief assistance of US$ 200,000/- to Jamaica and another US$ 50,000/- to Grenada in the wake of the havoc caused in these countries by hurricane 'Ivan'.

2. Jamaica which has a total population of 2.7 million has about 60,000 persons of Indian origin. Grenada has a population of 89,000 of which 300 are of Indian origin.

3. Prime Minister Dr. Manmohan Singh has already sent messages of sympathies to the Prime Ministers of these countries.

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PANAMA

329. Press release of the Ministry of External Affairs on the visit of Minister of State Rao Inderjit Singh to Panama.

New Delhi, September 3, 2004.

Minister of State Rao Inderjit Singh visited Panama from 30 August to 2 September, 2004. He attended the ceremony for the inauguration of the new President Martin Torrijos.

MOS had discussions with Ricardo Duran, his counterpart in the Foreign Ministry of Panama. In this meeting, MOS emphasized the need for strengthening especially the economic and commercial relations with Panama. He requested the Government of Panama to facilitate visas for Indian businessmen.

It may be noted that Mr. Nilekani, CEO of Infosys is visiting Panama in the first week of September to explore possibility of using the country as a hub for rest of Latin America for development of software.

The Minister of Panama expressed the desire of the new government for closer contacts with India. He praised the contribution of the Indian community to the prosperity of Panama. There are about 12000 Indians in Panama, the largest in Latin America.

During his stay in Panama, MOS(RIS) had meetings with the leaders of other Central American countries who were here for the Presidential Inauguration including President Ricardo Maduro of Honduras and Foreign Minister Jorge Briz of Guatemala and Miguel Angel Rodriguez, former President of Costa Rica who will be assuming the post of Secretary General of OAS in September 2004. The leaders of Central America have started looking at India more seriously for economic and technical cooperation and for business.

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PARAGUAY

330. Joint press statement issued at the end of the visit of the Minister of Foreign Relations of Paraguay to India.

New Delhi, January 25, 2004.

1. At the invitation of the External Affairs Minister of India, H.E. Mr Yashwant Sinha, the Minister of Foreign Relations of the Republic of Paraguay, H.E. Mrs. Leila Rachid, paid an official visit to India from 25-26 January, 2004.

2. Within the framework of the visit, H.E. Mrs. Leila Rachid had fruitful discussions with H.E. Mr. Yashwant Sinha.

3. During the wide-ranging discussions held in a friendly and cordial atmosphere, both sides exchanged views on various bilateral, regional and international issues of mutual interest.

4. Both sides noted with satisfaction that India-Paraguay relations are marked by cordiality and a high degree of understanding and close proximity on current principal issues. Both sides reiterated their desire to strengthen bilateral relations based on the close ties between the two countries.

5. The two sides agreed to fully utilize the substantial potential and opportunities for deepening mutually beneficial cooperation, to promote socio-economic development and prosperity of both India and Paraguay, to strengthen multi-polarity at the international level and to enhance the positive factors of globalisation.

6. Both sides agreed that personnel exchanges and friendly contacts between Ministries, Parliament and political parties of the two countries should be further enhanced.

7. India noted the efforts of Paraguay to increasingly integrate with regional organizations such as MERCOSUR, OAS, etc. and also the global economy. In this connection, both sides recognized that considerable potential exists for India and Paraguay to undertake mutually beneficial cooperation in various sectors.

8. Paraguay is a country with rich untapped natural resources and emerging infrastructural requirements. Given India's varied experience in

high technology and industrial areas, India could, in a spirit of South-South cooperation, share expertise in priority areas identified by Paraguay. These included, inter-alia, railways, agriculture, small and medium enterprises, pharmaceuticals, non-conventional energy, information technology and telecommunications.

9. To this end, the Indian side agreed to consider suitably extending the scope of ongoing cooperation of training of Paraguayan diplomats and possibilities for technical training.

10. To facilitate easier travel of the businessmen from the two sides, the Indian side requested the Paraguayan side to consider establishment of a suitable mechanism in New Delhi for issue of visas to Indian businessmen visiting Paraguay.

11. Both sides agreed to give high priority to an early meeting of Mechanism of Consultations between the two countries.

12. Both sides emphasized the need for creating better awareness of each other's strengths within the private sector of the two countries. Trade missions would be undertaken and participation in trade/commercial exhibitions in both countries would be encouraged.

13. Both sides expressed their intention to conclude at an early date Bilateral Investment Promotion and Protection Agreement, Cultural Agreement, Extradition Treaty and Agreement on Cooperation in Science & Technology.

14. India and Paraguay affirmed that international terrorism is a threat to peace and security, a grave violation of human rights and a crime against humanity. The two sides reiterated that global terrorism, religious extremism, trans-border organized crime and illicit trafficking in arms and drugs is a threat to them and to international peace, security and stability. They affirmed that terrorism cannot be justified in any form, for any cause, for any reason, on any grounds whether political, ideological, philosophical, racial, ethnic, religius, social or economic as an excuse.

15. The Paraguayan side appreciated the initiatives taken by India to resume diplomatic relations with Pakistan. In this connection, Paraguayan side supported the resolution of differences between India and Pakistan through bilateral dialogue.

16. The Minister for Foreign Relations of the Republic of Paraguay, H.E. Mrs. Leila Rachid extended an invitation to the External Affairs Minister of India, H.E. Mr. Yashwant Sinha, to visit Paraguay at an early date. The invitation was accepted with pleasure. The dates of the visit would be finalized through diplomatic channels.

17. The Minister of Foreign Relations of the Republic of Paraguay, H.E. Mrs. Leila Rachid, expressed sincere thanks to the External Affairs Minister of the Government of the Republic of India, H.E. Mr. Yashwant Sinha, for all the hospitality extended to her and her delegation and the excellent arrangements made for their visit to India.

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SURINAM

331. Press release of the Ministry of External Affairs on the third India-Suriname Joint Commission meeting.

New Delhi, November 19, 2004.

The third meeting of the Joint Commission[1] was chaired by Minister of State for External Affairs, Rao Inderjit Singh and Mrs. Maria E. Levens, Minister of Foreign Affairs of Suriname. The two sides agreed to deepen

1. Giving a background to the joint Commission meeting, the Official Spokesperson of the MEA on November 11 while briefing the media had provided the following additional information on recent India - Surinam interaction:"The President of Surinam was on an official visit to India in March 2003. the Vice-President of Surinam, Mr. Jules Rattankoemar Ajodhia has agreed to be the chief guest at the third Pravashi Bharatiya Diwas celebrations to be held in Mumbai 7-9 January 2005. Surinam has supported India's candidature to the permanent membership of the UN Security Council. India attaches importance to Surinam, which has 37 per cent of her people of Indian origin. India has been providing technical assistance to Surinam through annual training of 30 candidates fronm Surinam, deputation of experts and project assistance. India exports to Surinam in 2003 were 2.4 million US dollars and imports were 17 million US dollars. Indian companies have recently made entry into Surinam and are executing projects in areas such as transmission lines, irrigation and steel re-rolling. Surinam plans to buy equipment for agriculture, fisheries, forestry and laboratories and also defence equipment from India. They are seeking Indian participation in projects in areas such as power, expansion of transmission lines, civil construction and airport modernization. India has given 26 million dollars line of credit in 2003-04 to Surinam, which has been utilized for projects and products from India. Surinam is interested in a new line of credit.

bilateral cooperation and continue cooperation in multilateral fora such as UN and WTO.

The Government of India has agreed to provide a new Line of Credit at the request of Suriname. This will be for purchase and supply of equipments in areas such as agriculture, forestry, small-scale industries, IT training, defence, energy and infrastructure. The Government of India has also agreed to provide technical assistance including experts for the projects mentioned above.

Draft agreements for air services between the two countries were exchanged in the meeting.

The Surinamese side reiterated its support to the candidature of India for the permanent membership of the UN Security Council.The Foreign Minister of Suriname signed contracts for purchase of equipments from Bharat Earth Movers Limited, Bharat Electronics Limited and Bharat Dynamics Limited.Mrs. Levens called on the Minister of External Affairs Shri K. Natwar Singh and invited him to visit Suriname. Shri Natwar Singh has accepted the invitation for visiting Suriname in the first quarter of 2005.

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VENEZUELA

332. Media briefing by Official Spokesperson on the visit of Venezuelan Foreign Minister Jesus Arnaldo Perez to India.

New Delhi, August 31, 2004.

India and Venezuela have long history of close political relations. The economic and commercial relations though developing, have not fully actualized the potential. We hope that this visit will give an impetus to those relations in the correct direction. Some of the areas in which the two countries have been and are considering closer cooperation are the hydrocarbons and infrastructure sector as well as biotechnology, investment promotion and they will be discussing issues like avoidance of double taxation,

extradition etc. Venezuela is an important growing market for Indian products particularly pharmaceuticals with the Venezuelan public heath sector looking increasingly to reduce costs to procure generic medicines. There has also been an increase in exports of engineering plants and machinery, chemicals, textiles and so on to Venezuela. We are also conducting discussions for Indian expertise to be sent to Venezuela to set up a diamond exchange center and possibilities of Indian presence in the Venezuelan oil and gas exploration sector. There has been close collaboration between the two countries in the multilateral fora. As President of G-15 Venezuela received the former External Affairs Minister in Caracas during February 2004 and has now invited the Minister for Petroleum and Natural Gas to the forthcoming Energy Ministers meeting of the G-15 to be held in Venezuela at the end of September.

Question: What is a Diamond Exchange Centre - are we going to sell diamonds to each other?

Answer: Presumably, it is a kind of a commercial setup which facilitates trade in diamonds but I will be open to correction on that.

Question: What is the bilateral trade between India and Venezuela?

Answer: The last full year for which I have figures of India's exports to Venezuela is 2002 when the exports were about $ 33 million. India's annual imports are about $ 150 million. This includes import of oil products as well as non-oil imports. The non-oil imports are very small. They are about $ 4-5 million.

Question: Has the visit been planned because India is planning to tap other sources of oil?

Answer: No, I think the visit is part of ongoing bilateral relations and the visit of a foreign Minister is usually to review the entire range of bilateral relations. Trade, and particularly trade in oil, I am sure would form one part of the discussions. There is a meeting planned with the Minister for Petroleum.

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333. Memorandum of Understanding between The Ministry of External Affairs of The Republic of India and The Ministry of Foreign Affairs of The Bolivarian Republic of Venezuela for Co-Operation between their diplomatic Institutes.

New Delhi, September 2, 2004.

The Ministry of External Affairs of the Republic of India and the Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela, hereinafter referred to as "The Parties"; desiring to promote the training of Foreign Service personnel of both States.

Considering the need to establish links between both institutions through mechanisms of direct consulting and action in benefit of the training of Foreign Service Officers of both countries, looking forward to strengthening relations between both countries,

Have reached to the following understanding:

Article 1

The Parties shall actively exchange information about their respective study programs, courses, seminars and the rest of academic activities which both institutes develop.

Article 2

The Parties shall commit themselves to information on public international law, diplomatic law and other subjects related to the diplomatic service and to political, economic and cultural relations.

Article 3

The Parties will carry out regular consultations and will endeavor with mutual agreement, courses, seminars, and other events, for which the date and place will be well timed. Likewise, they will do all the possible to facilitate the exchange of teachers, specialists and researchers to attend conferences related to the subjects of their competence.

Article 4

The Parties will facilitate the exchange of specialized publications

and magazines which they or any other public and private entities of either country may publish. In this respect, the libraries and documentation centers of the Parties shall determine the best ways to efficiently communicate.

Article 5

The Parties shall exchange information on activities of mutual interest, specially with regard to their participation in meetings of regional and world organizations gathering academies and institutes aimed at training diplomats and universities giving courses in international relations.

Article 6

For the coordination, monitoring and execution of the activities laid down in the Memorandum of Understanding, the Ministry of External Affairs of India, designates the Foreign Service Institute and the Ministry of Foreign Affairs of the Bolivarian Republic of Venezuela, designates the Institute of Higher Diplomatic Studies "Pedro Gual".

Article 7

This Memorandum of Understanding will come into force thirty (30) days after having been signed and will remain in force for a period of three (3) years. Thereafter, it can be extended for the same period of time unless one of the parties notifies the other of its desire to terminate the agreement by giving at least ninety (90) days' notice before its expiration date. The expiration of the Memorandum of Understanding will not affect ongoing projects, unless otherwise decided by both Parties.

Any doubts or controversies which may arise from the interpretation and execution of the present Memorandum will be resolved amicably through direct consultations between the Parties.

Article 8

This Memorandum of Understanding may be amended through Exchange of Notes with the consent of both the Parties. The amendments shall become effective as prescribed in Article seven.

Signed at New Delhi on 2nd day of September of 2004 in two originals each in Hindi, Spanish and English languages, all three texts being equally authentic. In case of doubt in interpretation, the English version will prevail.

For the Ministry of External Affairs, Republic of India, K. Natwar Singh, Minister of External Affairs.

For the Ministry of Foreign Affairs, Bolivarian Republic of Venezuela, Jesus Arnaldo Perez, Minister of Foreign Affairs.

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INDIA'S FOREIGN RELATIONS - 2004

Section - X
Europe

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334. Joint press interaction as part of the India — EU Troika meeting.

New Delhi, February 16, 2004.

Official Spokesman: Good Afternoon Ladies and Gentleman. Welcome to the Joint Press Interaction as part of the India-EU Troika Ministerial Meeting. May I first request the Hon'ble External Affairs Minister of India, Mr. Yashwant Sinha to kindly make his opening remarks.

Mr. Sinha: I am happy that the India-EU Troika Ministerial Meeting is taking place in New Delhi this time during the Irish Presidency of the EU. We are particularly happy to welcome the Irish Foreign Minister, Mr. Brian Cowen, the Dutch Foreign Minister, Dr. Bernard Rudolf Bot and EC Commissioner for External Relations, Mr. Chris Patten for taking time out to visit India for this meeting.

As you are aware that the India-EU Troika Ministerial Meeting generally takes place twice a year, during each Presidency of the EU and provides us with a very valuable opportunity to exchange views on various issues.

India-EU relations have been characterized by a mutual desire to impart strategic depth to our contemporary ties in political, economic and technological fields for building a long lasting multifaceted relationship.

Today, on the bilateral front, we discussed the growing multifaceted relationship of India and the EU since the 4th India-EU Summit held in New Delhi on 29th November.

I am particularly happy to note that the mutual desire to expand our bilateral partnership. We discussed the proposal of joint collaboration in the development and operation of the Galileo Satellite Navigation System, which signifies the growing complementarities of our partnership in niche areas of technology. We have expressed interest in exploring new vistas of cooperation with EU in Biotechnology, Nano-technology, Space, IT and Genome Research for mutually beneficial results.

We are looking forward to the next India-EU Summit which will take place under the Dutch Presidency in the second half of 2004. The Dutch

side have already suggested dates in November and December and we will be responding to those dates.

We have also exchanged views with regards to current global situation and all the issues which are of concern to the global community including global terrorism. We also discussed the issue of enhancement in bilateral trade and investment in both directions, and cooperation in the WTO to carry forward the negotiations on the Doha Development Round.

Official Spokesman: Now may I request Mr. Cowen, Hon'ble Foreign Minister of Ireland.

Mr. Cowen: Thank you very much. I want to thank Foreign Minister Sinha for our very useful discussions today.We covered a wide range of international and regional issues of concern to both of us and our discussions will continue over lunch.

I and my colleagues, Foreign Minister Bot of the Netherlands and EU Commissioner Chris Patten welcomed the opportunity to reaffirm EU's commitments to developing further our important relationship with India.

We were pleased with the outcome of the November EU-India Summit and will continue our dialogue to identify measures to strengthen our cooperation and dialogue including trade and economic relations.

We welcome the positive outcome of the recent SAARC summit in Islamabad, in particular the decisions made to reinvigorate the organization. We told the Foreign Minister of the EU's readiness to increase our support for SAARC in particular with the provision of technical assistance for the implementation of the Free Trade Area.

Over lunch we look forward to the Foreign Minister bringing us up to date on the recent positive developments in the India-Pakistan relationship. EU welcomes India's readiness to commence today the process of composite dialogue with Pakistan, including on the issue of Kashmir. We wish him well in these negotiations and remain willing to assist in anyway required.

We both discussed a number of regional issues including Afghanistan, Iran, Iraq, Sri Lanka, Nepal and Burma. We recognize India has a crucial role in helping to address these regional issues and to use its influence.

Over lunch we will also speak of issues of concern to both sides - the continuing war on terrorism, WMD proliferation and our joint commitment to delivering effective multilateralism.

Finally, I took the opportunity to brief Foreign Minister Sinha on developments within the EU.

Question: Recently there was a statement from EU that India should sign NPT. Don't you think NPT should be reviewed in light of the proliferation from Pakistan?

Mr. Cowen: I think it is very important, we all know the respective positions of EU and India on these matters. We want to pursue a dialogue to see how we can pursue a shared objective of making sure that WMDs do not fall in the wrong hands as part of our common commitments for fight against terrorism. I think it is also very clear that this is an international issue that involves many nationalities. Therefore, in the interest of global security and improving the collective security arrangements, we will continue that dialogue with India in that spirit.

Question: My question is to Mr. Sinha. How optimistic are you about the talks that started today morning in Pakistan? Do you see any role for EU in this?

Mr. Sinha: I am quite optimistic about the outcome of this round of talks that we are beginning today. As you are aware these are preliminary rounds, where we will be discussing issues relating to the agenda, the level of the talks and the timeframe. When I am talking about timeframe I am not talking about the outcome but the timeframe in which these talks will be held. I am quite confident that on these issues, since a lot of work has already been done in the past years, it would be possible or it will not be difficult for us to reach a conclusion. If there are any issues which are left over from the talks between Joint Secretary of our Ministry and the Director General in Pakistan Foreign Office, then the Foreign Secretaries will be meeting on the 18th and I am quite sure that they will get the results on these issues. As far as the role of EU or any third party is concerned, we are grateful for the offers which have been made, but we have stated from time to time that this is best resolved bilaterally between India and Pakistan.

Question: Was there been any interaction between EU and the Pakistan

government after the recent Pakistani scientist's admission of leaking nuclear secrets to North Korea and other countries?

Mr. Cowen: We look forward to discussions in relation to many questions that we have not yet got to because we have been emphasising in the first part of our discussions, very clearly, the close economic and trade relations that exist between India and EU. Also, as I said in relation to the previous question, this is an international issue, which involves many nationalities to deal with it collectively by resolve. I want to say that from EU's point of view, we want what effectively is …to ensure that the danger, and that involves WMDs getting into wrong hands, a fact regarded by the international community and it is up to India to be a partner in that process.

Question: My question is to Mr Cowen. Considering the fact that India is trying for regional integration in SAARC, do you see any role for EU in this integration, in SAFTA?

Mr. Cowen: We very much welcome the very important development which took place at the meeting in Islamabad recently. Further, it has certainly brought a great rejuvenation into the process, a process which you are reminded has been with us for a couple of decades now. I think there has been a growing realisation by everybody that India has very much promoted regional cooperation. This is a very important factor not only in sharing economic prosperity but also in providing security and stability. This is one of the lessons for the advance of the integration process in Europe, the EU integration process - expand the zone of peace and prosperity and security across Europe. That is a phenomenal vision of the globalising world in which we live. It is an ever growing important factor in determining stability regionally and to the wider world security and prosperity also. I think that many of the decisions which were taken at the recent meeting indicate a growing collective realisation by the governments of this region to proceed in that way. When you consider, for example, that inter-regional trade within the European Union represents about 60% of our total GNP and that in your area at the moment it is 4-5%, I am sure there is a win-win situation here in terms of promoting regional cooperation. EU is a firm advocate of that not only in economic terms but also in political terms is available as a fact (and we will help) whatever way we can based on our own experience to ensure that this process, which has been reinvigorated recently, goes on to achieve the potential that we believe is there.

Mr. Patten: I would like to add one point. Europe is the largest trading partner of the countries in the region and the largest external investor not just in India but in the region as a whole. So, it is not only in your own interest to develop this exciting concept but it is in our interest as well, of all big trading partners and investors. We have a Memorandum of Understanding since 1996 with the SAARC Secretariat to assist in the work that they have been doing to develop economy and trade. I told the Minister this morning that we will provide technical assistance, initially 5 million Euros to assist in institutional building, harmonisation of regulations and customs - all the technical things - in which we have years of dusty experience in dealing with. We are happy to help SAARC with those and to help individual countries with technical assistance for trade related activities so that, as I said, they can take advantage of this extremely exciting opportunity.

Question: What is EU's stand on outsourcing from India?

Answer: It is very surprising (that you asked the question) because our stand is the same as was explained by Commissioner Lamy when he was asked exactly the same question a couple of months ago. It is an aspect of the world economy. It is something which is good for you and good for our own commerce and industry as well. We have no problems with outsourcing, it is part of global economic development. We are very understanding about India's concerns about this issue and we hope that India will be as concerned about some of our trade issues because we have one or two matters that concern us in our bilateral relationship, so it is a problem and I think it should be an opportunity on both sides to develop vibrant trade and economic relationship.

Question: Now that the Indian Cricket team is going to Pakistan…is there a security team going with the Cricket team?

Mr. Sinha: The Europeans don't play cricket …(laughter)

Mr. Patten: Except UK and Netherlands…

Mr. Cowen: EU will remain neutral…

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335. Press conference by Foreign Secretary Shyam Saran on Prime Minister's forthcoming visit to The Hague for the 5th India-EU Summit.

New Delhi, November 5, 2004.

Official Spokesperson : Good afternoon ladies and gentlemen! It gives me great pleasure to have Foreign Secretary here to brief us on Prime Minister's visit to The Hague. He is accompanied by Smt. Sujata Singh, Joint Secretary (Europe-I). May I request FS to kindly make his remarks and then we will take questions.

Foreign Secretary : As you are aware, Prime Minister will be leading a high-powered delegation to The Hague for the Summit between India and the European Union. This particular Summit is a particularly significant one because it takes place immediately after the expansion of the European Union, which from a membership of 15 has now gone up to 25. So, this particular Summit will be with a community which is now substantially larger in membership, much more diverse than it has been in the past. Also, the expansion creates more opportunities from one point of view, and it also poses challenges which we have to respond to.

The other reason why this Summit will be important is that it marks the culmination of a journey of cooperation between India and the European Union which started many years ago and has been at various stages upgraded, deepened, strengthened. The culmination of that process now is that the European Union and India will, at this Summit, be announcing a Strategic Partnership between India and the EU. The European Union has strategic partnership with only five other countries. Those five countries are: US, Canada, Russia, Japan and China. So, India will be sixth country to have this kind of partnership with the European Union.

The proposal for this strategic partnership with India from the European Union has to be seen as a very clear endorsement of the European Union's recognition of India as, what they themselves have said, a regional and global leader engaging increasingly on equal terms with other world powers. This is from the EU document.

The frequency and intensity of India's contacts and interaction with the European Union has grown very significantly since the year 2000. In

order to provide greater coherence and focus to all the various activities being undertaken as well as to undertake some new initiatives, the European Union has prepared a very comprehensive document outlining in detail its views on various areas in which a strategic partnership could be forged with India. This document was over a year in preparation before it was finally presented to us in June 2004. This document is very important because it obviously represents a great deal of careful examination on the part of all the member-countries of the European Union. It examines sector-by-sector how current activities can be strengthened and how new activities could be launched. When these are implemented, they will be the basis for a much stronger and more intensive relationship over the entire gamut of exchanges from political to multilateral, economic to science and technology, academic, cultural and civil society.

This document is entitled – Communication from the Commission to the Council of the Union to European Parliament and European Economic and Social Committee on an India-EU Strategic Partnership.

India on the other hand has also given almost an equally detailed response to this document. This was given in fact within two months of receiving the communication from the EU. While we have welcomed the generally positive orientation of the EU document, we have responded in broad terms to many of the proposals which are contained there. There have been some new initiatives also which have been suggested by the Indian side.

The way this will be taken forward is that at the Summit, the leaders will be presented with the EU document. That EU document has also been put up to the European Parliament where it has been very largely endorsed. There are also conclusions and recommendations from the Council of the European Union and these together with India's response, very detailed response that we have given, will be the document which will be presented at the Summit. There will be, in the Joint Declaration which we will have, an announcement of the Strategic Partnership. But the Summit will also declare that on the basis of these documents and the discussions which would have taken place at the Summit, an Action Plan will be prepared by India and the EU which will have very very specific recommendations. This Action Plan along with a political declaration will then be adopted at the next India-EU Summit. This will be manner in which we will be carrying forward our cooperation.

At this particular Summit we would also be having a Joint Declaration on Cultural Cooperation between India and the EU. I would also like to mention here that we have been having a number of interactions with the EU in preparation for this Summit. For example, I myself had gone to The Hague for senior official level meeting between India and the EU Troika. The Presidency, as you know, is currently with the Netherlands. So, the meeting was held in The Hague. This was in September. More importantly, External Affairs Minister, Shri Natwar Singh visited Brussels in October where he had the opportunity to meet EU High Representative Javier Solana, the External Relations Commissioner Chris Patten, the Dutch Foreign Minister Bernard Bot and the Austrian Foreign Minister Waldner. These discussions were very extensive - they covered bilateral, regional and global issues.

I would also like to mention here that the Summit, while it would be focusing attention on these specific areas – announcing the Strategic Partnership, setting the stage for the Action Plan, concluding a cultural agreement - this would also provide for exchange of views on a structured agenda. The structured agenda would be focusing on the India-EU relationship, but also we will be looking at a number of multilateral and regional issues also. For example, we would be talking about the UN Security Council reform, the importance of multilateralism, the importance of strengthening multilateral institutions. We would be also looking at certain regional issues like Afghanistan, the situation in our own region, what may be happening in the Middle East. So, this also provides a forum whereby at the leadership level we would be having an exchange of views on a number of bilateral as well as regional and multilateral issues.

So, this is going to be an extremely, from our point of view, important event. It represents in a sense of maturing of the relationship between India and the European Union. It also sets the stage for a phase of much closer economic and technical cooperation quite apart from the political relationship between the two sides.

Thank you. If you have any questions I will take them.

Question : You have different levels of relations with different countries of EU. Now you are going in for a Strategic Partnership with the EU. Do you think that these kinds of relationship will harm our interests because EU is not a country and it is a group of nations?

Foreign Secretary : We certainly do not see any kind of contradiction in our bilateral relations with individual European countries and the European Union. In fact, our relationship with the European Union is a fairly longstanding one. As I mentioned to you, we have gone through various stages of this relationship becoming closer. So, our experience over the last several years has been, in fact, that our bilateral relations in a sense contributed to our relationship with the Union. In turn, our relationship with the Union contributes very constructively to our relationship bilaterally with many of these countries. So, we find this a mutually reinforcing kind of relationship, certainly not as something where we find that there is a hiatus or there is a divergence in what we are doing bilaterally with a country and what we are doing with the Union as a whole. The reason for that is that there is a broad consensus within the Union itself in terms of the importance attached to the relationship with India. Virtually, I would say that every country in the Union recognizes that India is a very important country whose global profile is increasing, its economic potential is increasing. So, this is something on which there is no difference of opinion amongst the European countries. So, there is very broad consensus on seeking closer political as well as economic and other kinds of relationship with India.

Question : You said that enlargement of EU gives us both opportunities and challenges. Can you spell out as to what are the opportunities and what are the challenges?

Foreign Secretary : With the addition of the new members making the European Union a collective entity of 25 countries, you obviously have a Union which is going to be a much larger market. It will have a population of about 450 million. So, to the extent that the European Union was and is the largest market for India, a very major investment source for India and also a target for Indian investment. As you know, there is now investment also coming in from India into European countries, particularly in sectors like information technology. So, to that extent, the increase in the membership gives you the opportunity for accessing a much larger number of countries, a larger market in terms of your economic interaction.

As for challenges, you know you are dealing with now a somewhat more diversified European Union. You are dealing with a European Union which has a greater degree of diversity in its membership, diversity not only in terms of ethnic diversity, in terms of cultural diversity, but you are

also looking at countries where the economic levels are not exactly the same. So, that is a more varied kind of economic landscape that you are going to be facing in the European Union. Now, you will therefore have to have a policy which will have to take into account that diversity. You would have a European Union which may be in terms of certain pockets, trading policies, economic policies, will have to accommodate its own less developed partners. How that will impact on India's interests, we have to carefully examine. One of the things that we have suggested is that India and the European Union set up some kind of a joint mechanism where we can precisely look at these kinds of challenges and opportunities, areas which may be of concern and the areas which we can usefully exploit jointly.

Question : You mentioned certain areas where the strategic partnership would focus on. Can you just elaborate on that and spell out which are these areas?

Foreign Secretary : Actually, the list is quite long. But let me give you a flavour of this. Let me focus attention, for example, on the political aspect first. We are looking at a much closer consultative relationship in terms of issues of regional and multilateral interest. In a sense the EU represents what one would call a very important pole in a multi-polar world. In a sense, it recognizes India also as a significant other pole. So, if we are looking at a more multi-polar world order, as a corollary to that, we are looking at a more multilateral approach to global challenges. There is a recognition, for example, that there are issues which are transnational issues - issues of terrorism, issues of environment, the issue of how do we strengthen an institution like the United Nations. These are issues on which there is a feeling that there needs to be, on the basis of our very common kind of view of the world, much greater consultation between the two sides. The strategic partnership is providing precisely for that kind of a closer consultation.

On economic areas, one of the areas very important to India is energy. For example, we are looking at participation in the ITER Project, which is a fusion energy project. This is a research project looking at what are the possibilities of developing fusion energy. India with its own scientific and technological capabilities is regarded as a very important and useful partner in this research. That is one area. We have identified certain other new areas like biotechnology. This is again an area where considerable amount

of development has taken place in India and there is a very genuine interest on the part of the EU to engage India in a sector like this. Something on which we already have cooperation but we would like to take it to a much higher level, and again there is very strong interest on the part of the European Union, is the information technology. This is an area where certainly we are looking at how we can move ahead.

If we look at certain other areas, for example as I mentioned to you on the economic side, there is a recognition that with the expansion of the European Union we are facing a new situation. Therefore, given the kind of very strong economic relationship which has already been built up between India and the EU and the accelerated pace at which this economic relationship is developing, looking at how we can sit down together and see what the implications are of this exp ansion, can we identify new areas for taking the economic relationship further forward? We are looking at how do we deal with the issue of BPO. This is a service cooperation area which is again developing very fast. We have certain concerns that there are no barriers which should come up. They have also certain concerns. So there is a willingness to sit down together and look at how we can make this into a win-win kind of situation for both sides.

We have a very strong interest in the entry of Indian pharmaceuticals into the European Union. We would like to be able to see that the registration process in the EU, the approval process in the EU, is as less cumbersome as possible. So, we have actually taken up very very specific areas where we can take this relationship forward with a very intensive dialogue. Just to add one more, textiles as you know is an extremely important area now. With the phasing out of the Multi-fibre Agreement, we will be faced with a new situation. There will be certain potential advantages which India will have and there may be some potential challenges to our textile industry also. So, we are again looking at how we can sit down together and see that we have a partnership in which both sides gain. So, there are a number of very specific areas. We are not just talking about these things in a very broad sense, we are talking about very specific kind of measures which the two sides can take together.

Question : Taking from your comments about economic opportunities, do you feel that the Prime Minister's visit coming just after the EU expansion to 25 countries, would boost trade, exports to EU right now which are pretty

low between one to 1.3 billion dollars? Do you see a clear cut bonus from the visit, the two things coming at the same time?

Foreign Secretary : Most certainly. As I said, when we are talking about the strategic partnership, we are not talking about just a mere declaration. We are talking about very specific ways in which we can increase the trade potential. We can increase the investment potential and look for much greater access for India products into the European market. I just mentioned about, for example, what we hope to be able to do on pharmaceuticals. These are, in fact, very very specific kind of things that we are looking at as to how we can improve our trade potential. I am sure that the European Union will have its own wish list in terms of access to the Indian market. They may have some concerns about what they say are some non-tariff barriers in India. They may have certain concerns about the levels of tariff which are still, according to them, quite high. So, there are issues which both sides will be bringing to the table. At this particular Summit level meeting, we are in a sense clearing the decks for very very intensive dialogue on specific issues. That is what our effort will be.

Question : Since India has good relations with both US and Iran, and EU also has good relations with Washington and Tehran, would India and the EU talk about how India and EU as a Group can help in moderating the tension between Tehran and Washington over Tehran's nuclear plans?

Foreign Secretary : We have been supportive of the dialogue between Iran and the EU Troika on the question of the nuclear energy programme of Iran and we will continue to support those efforts. We are working on this basis with not only the EU Troika but with other countries also, for example in the IAEA.

Question : On Iraq, the Prime Minister said yesterday in his letter to President Bush that India could contribute to the electoral process in Iraq. There seems to be a lot of divison within the EU countries on the position on Iraq. What kind of a dialogue do you hope to have with the EU on this?

Foreign Secretary : I think there is a common interest of the EU as well as India to see a very rapid return to normalcy in Iraq, the emergence of a democratic and sovereign Iraq. The success of that is something which both the European Union and India would like to see. So, what we can do in terms of furthering that process, of course, EU has its own initiative in

this regard, we have stated that we have already contributed some humanitarian assistance, we have contributed some reconstruction assistance which we will continue with. As you mentioned, Prime Minister has said that when the elections are going to be held in Iraq, we may be ready to provide some assistance in terms of training of personnel in India of the Iraqi Election Commission. So, there are ways in which we are both, separately perhaps, contributing to a common desire to see the emergence of a democratic and stable Iraq. So, I am sure, we will exchange opinions on this during the Summit.

Question : Just the fact that the Prime Minister will be holding talks with the old team rather than the new one, does that somewhat take away the importance?

Foreign Secretary : I do not think so. We are interacting with an institution. We are not interacting with just only individuals. The people who the Prime Minister would be interacting with are the people who represent what is a very important institution.

Question : European Union says that it would like to press India to sign the NPT even though it recognizes India's good record on nonproliferation?

Foreign Secretary : I have not seen any EU statement saying that they would press India to sign the NPT. On the contrary, there is a recognition in the European Union that we have, both India and the European Union, a shared interest in nonproliferation. There is also a recognition on the part of the EU that India has a very impeccable record on nonproliferation. Our view is that on this particular basis, in fact, there are possibilities of cooperation between India and the EU on issues like nuclear energy.

Question : On the issue of Kashmir, there seems to be a certain way in which EU speaks on the issue …(inaudible)…?

My second question is related to trade. On the issue of non-tariff barriers the EU has expressed its concern for (not maintaining) high quality especially in marine products?

Foreign Secretary : As far as the dissonance that you are talking about, I would not call it dissonance. As I mentioned to you, the European Union is today a very diversified kind of an entity, and the European Parliament has various shades of opinion. European opinion is represented in it. It should

have come as no surprise that there are different opinions expressed within the European Parliament. What is important is that as far as a European projection or European opinion is concerned, it has not been negative as far as India is concerned on the issue of Jammu and Kashmir. There is a recognition that we are dealing with a country which, like the European Union, is very flourishing, vibrant, democracy. It has very strong institutions in order to take care of whatever human rights concerns there would be. When we are looking at a strategic partnership, we are looking at a partnership between equals, we are not looking at a partnership where one side is prescriptive or one side is intrusive and the other side is, in a sense, a passive partner. No. We are looking at a partnership in which there is a recognition that the two sides are real partners and there is a willingness to engage in a whole series of interactions on issues of concern. So, we have enough confidence that we can carry this relationship forward on the basis of a mutual recognition that we are dealing with partners, we are dealing with countries which are independent and sovereign.

Question : On non-tariff barriers in trade…

Foreign Secretary : As I mentioned, this will not be a visit where we will be looking at specific issues like this. We are looking at creating a broad partnership and mechanisms in which precisely the kind of issues that you are mentioning, we are able to address, concerns that India may have as well as the EU may have, with the recognition that both sides want the level of economic interaction between the two of them to go much higher than what it is today. There is a recognition that while our economic and trade relationship has grown considerably over the past few years, it is still very limited compared to the potential there is and there is a need, therefore, and there is a willingness, political will, to do precisely what is necessary in order to remove the barriers to taking this forward.

Question : There are two parts to my question. The first is, a few months back a European Union delegation visited Jammu and Kashmir. When they came back they told that the entire Kashmir was a disputed territory and they were not speaking in line with our stated official policy. Does that concern you?

Secondly, yesterday, the European Commissioner was here and they told that European Union was willing to offer its own experience to solve the issue of Kashmir, if the Indian Government wants.

Foreign Secretary : As I mentioned, there are many shades of opinion represented in the European Parliament. If one or another member of the European Parliament says this or that about India or about Jammu and Kashmir, I do not think we should be unduly perturbed about that.

As far as what the Dutch Ambassador said yesterday, I think whoever wishes to share his experience on whatever issue with us, we are willing to look at those experiences. But we have a well thought-out, considered approach with regard to Jammu and Kashmir and I think we are confident enough that we can handle this ourselves.

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336. Statement by Prime Minister Dr. Manmohan Singh on the eve of his departure to The Hague for 5th India-EU Summit.

New Delhi, November 7,2004.

I leave today on a visit to The Hague to participate in the 5th India-EU Summit, hosted by Prime Minister Dr. Jan Belkenende of The Netherlands.

Europe is an important political and strategic factor on the international scene. Recently, the EU increased its membership from 15 to 25 States erasing the vertical faultlines that divided the European continent for over a half century. EU is emerging as a politically influential, economically powerful and demographically diverse regional entity in the world.

The European Union is not only India's largest trading partner, but is also our largest source of foreign direct investment. It is an important source of technology, and home to a large and influential Indian diaspora.

India and EU are natural partners. Our relations are based on shared values – democracy, pluralism, rule of law, free press and independent judiciary. Our partnership has evolved over the years from economic and development cooperation to a broad-based engagement on a wide range of issues - globalization, terrorism, proliferation, energy and environment.

In recognition of India's growing stature and influence, the European Commission has proposed a Strategic Partnership with India. This will be

formalized during The Hague Summit. We warmly welcome this development. My discussions with the EU leadership will be reflected in a comprehensive Joint Press Statement that will be issued on the conclusion of the Summit.

During my stay at The Hague, I will also be addressing an interactive session of prominent CEOs of EU business and industry, and senior representatives of Indian industry with the purpose of identifying and utilizing opportunities for greater trade and investment between India and the EU.

I will be calling on Her Majesty Queen Beatrix of the Netherlands.

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337. Address by Prime Minister Dr. Manmohan Singh at the Interaction with Chief Executive Officers of the European Business, Industry and Trade.

The Hague, November 8, 2004.

Welcome by the Minister of Foreign Trade of The Netherlands:

Your Excellency, Ministers, it is indeed not only my pleasure but also my honour to speak a few words to you and to welcome you very warmly to the Netherlands. I know our climate outside is not always welcoming to people visiting from abroad. But if we did not get any rain today I think we should see it as a sign of how the Netherlands is welcoming you. I am very glad here that we, as the European Presidency at the moment, have gathered so many people around this table.

The relationship between our two countries is longstanding and the relationship between India and the EU especially is longstanding as well. Since 1991, the trade between India and EU at large has nearly tripled to some 30 billion Euros. That signals a strong economic relationship, one that we wish to strengthen even further and to build upon. That is also the reason that we have now called for a strategic partnership between the EU and India. I think, on both sides of the land that is between the European Union and India we are very glad with that partnership.

You are not only an important partner to us. You are also an example

to us in many ways. The economic growth that India has shown in the past couple of years is not only an example for many European countries, but it is something that we long for to achieve as well. We are working on our own reform agenda - the Lisbon Strategy. We can only dream of economic growth rate that you are achieving. Also on, innovation, you are an example for us. I can say from the Netherlands point of view that we are little bit jealous about the number of Engineers that are graduating from your Universities every year. If only we have that many Engineers, we would have some innovation that would be parallel to what you are achieving today.

I understand that in your own country you are working on the Common Minimum Programme aiming at economic reform but at the same time taking social needs, the environment, and the social and economic correlation into account. The potential for doing business with each other is huge. I think in many sectors we can offer each other business opportunities, new market, skilled labour and new technology. Just to mention a few sectors, and most of them are present here as well - agri-business, biotechnology, water and infrastructure. When it comes to water, the Netherlands has an outstanding experience with working with water and fighting water. As you know, the Netherlands is below sea level. So, it has been our friend and our enemy. So whether it be drinking water production, waste water management, or the containment of water, the Netherlands is a specialist. As for investment, the Netherlands is fifth biggest investor in India leaving other major European countries far beyond. Dutch banks for instance, two of them are here tonight, entered the Indian market by offering a wide range of financial services for the Indian middle-class and for small farmers as well.

We would also like to discuss the potential of Indian investments. As the Minister of Foreign Trade not only for the Netherlands but for the entire European Union, I can of course not forsake the opportunity to point out the opportunities that you have in Europe.

Our relationship dates back from centuries, the Dutch relationship, as far back as 17th century. I would like to build upon that long long relationship that we have today when we are here and hopefully also tomorrow and in the days, weeks, and years to come.

Before giving the floor to the representatives of the private sector, I

have the pleasure to give the floor to you, Your Excellency Prime Minister, to speak to us tonight. Thank You.

Speech by PRIME MINISTER OF INDIA Dr. Manmohan Singh:

Madam Chairperson, Excellencies, Distinguished Ladies and Gentlemen,

It is for me a matter of great privilege and pleasure to be in the midst of leading personalities from the European business, industry and trade. I have always believed that in the final analysis businessmen are the ultimate custodians of the possibilities of civilization. More so in a world where thanks to advances in modern science and technology, transportation and communication technology, geography has lost its old significance. In this world that is now on the horizon, we need to build new bridges to promote goodwill, to promote understanding because technology may have marched forwards but there are old cultural values, cultural ties, cultural prejudices and the world has to come to terms with these diversities. I have always believed that businessmen are better qualified than most other social actors to perform that role.

In any way, as the ancient Indian scriptures so emphatically point out, the primacy of the process of wealth creation is fundamental for the healthy growth of any society. Therefore, a society which respects those who create wealth is a society which can be termed as an achieving society. I am therefore, very grateful to all of you for having accepted this invitation to be with us to give us the benefit of your advice on how working together we can strengthen, widen, deepen India's business links with this great continent of Europe.

As the Hon. Minister pointed out in her introductory remarks, India and Europe have an additional advantage on which we ought to build upon. We have known each other for centuries. There are close commercial links which have existed for centuries. We also know about the systems - the Government systems, the commercial systems, the legal systems - much better than is the case with other regions of the world. Our trade and investment and technology flows are moving along the right lines. But considering the vast potential, I think we have hardly scratched the surface. I would like to learn from you as to how working together we can convert that potential into a living reality. I recognize that in the final analysis it is the

responsibility of the Government of India and the various social and economic actors to create an environment which is conducive to growth of entrepreneurship, to the growth of risk-taking, to the growth of excellence. I assure you that our Government is committed to doing precisely that.

Madam Chairperson has reminded you that India happens to be one of the fastest growing economies of the world. For nearly fifteen years, India has now grown at an annual average growth rate of about six per cent. It is our ambition that in the next five to six years we should raise this growth rate to at least seven to eight per cent and we shall do so while providing a policy environment which is conducive to growth of creativity which encourages savings, which encourages risk-taking, which encourages investment.

We are a functioning democracy. Competitive politics is the stuff which lends vigour to processes of any modern democracy. It sometimes creates doubts in the minds of the people about the stability of Government policies. But, I think the proof of the pudding is in the eating. Despite being a full-blooded democracy we have had stable policy framework on the whole ever since 1991, when the last Congress Government of my party took the initiative to open up India to the outside world.

In 1991 we took a historic decision that India's destiny lies in working with the rest of the world, that India's destiny lies in embracing the processes of globalisation, that our destiny lies in taking full advantage of the opportunities that a new globalised world offers and at the same time trying to take preventive measures to deal with the risks that are also inherent in the processes. Since then we have had three or four changes of Government. It speaks volumes about the vitality of our democracy that despite these changes in Government policies, the broad direction of economic policies set by the Congress Government in 1991 has withstood the test of times.

India now in its totality accepts that liberalization, deregulation, creating more space for competition internally as well as accepting the logic of greater competition from abroad are inevitable processes and that we have to take advantage of these processes to build a new India free from want and exploitation. This we are committed to do.

As I said, we have been in the last fifteen years grown at an average annual rate of six per cent. We have the ambition to raise this growth rate to

seven to eight per cent in the years to come. Now, what does that mean? We are today saving domestically about 24 to 25 per cent of our Gross Domestic Product. Our household savings rate of about 20 per cent is among the highest in the world. But if we have to raise the growth rate to 7 to 8 per cent we need to invest to the extent of about 28 to 30 per cent of our GDP. That means that India has to be much more welcoming to the inflow of foreign capital, particularly direct investment from abroad if it is to realize its growth ambition. This we are committed to do.

Investment regime in our country has been liberalized very substantially. The old licensing system has more or less disappeared except in a few cases. Wherever there are remnants of the old system we shall take a hard look so as to enlarge the space for exercise of individual creativity and entrepreneurship.

Of course, there are problems with regard to investment in our country and I would be the last one to deny it. Those problems do exist. Many people talk about our infrastructure - that there are substantial gaps in the performance of infrastructure sectors like power sector, the roads sector, railways, ports, airports and communication links. We are determined to do all that is within Government's power to make a frontal attack on these deficiencies.

I have estimated that the next decade alone should see an investment of about 150 billion dollars in infrastructure if we have to reform and reconstruct our infrastructure sector to make it nearer to the world class standards that we need, if we have to become attractive as an investment destination. I invite you to take a hard look at India's infrastructure because this whole sector of infrastructure is now open for participation by foreign investors.

Agriculture happens to be the principal activity of a great majority of our people. We need massive investments in agriculture. Our Government will have to undertake bulk of the responsibility for investment in such social overhead capital as irrigation, environment protection measures, control of degradation of India's land and water resources. But agro-processing is one activity where we have hardly scratched the surface. There are immense opportunities in India in the field of development of agro-processing industries. This is one area where the European industry is eminently qualified to take advantage of the opportunities that exist in our country in this vital field of agro-processing.

I believe if we develop our agro-processing industries such as dairy industries, fruits, vegetables and related industries, we will be creating new employment opportunities, we would be reducing the prices that are paid by the consumers for many of our consumer goods, and at the same time we will be increasing the amount of money that goes to the pockets of our farmers. Therefore, the development of agro-processing, food processing in particular is high on our list of economic priorities.

There is of course the modern sector of industry. I would like to mention to you that in the last seven or eight years, in fact as soon as we opened up the economy, a structural change overtook the Indian industry. Initially there were doubts about the viability of the new model. But soon our industry got convinced that the new order has come to stay and, therefore, a new drive for productivity growth began to grip large segments of Indian manufacturing industry. Therefore, in recent years we have seen the growth, an impressive growth of productivity, impressive growth of profitability in large segments of Indian manufacturing. Engineering and automobile component industry are the leading examples of the new revolution in manufacturing that is now taking place in our country.

The third thing that I wish to point out is that India has been fortunate in one sense that early enough, soon after our Independence, we recognized the great importance of modern science and technology as a vital input into development processes. We, therefore, set up some of the best world-class institutes of science and technology, of management education and the results are there for anyone to see. The growth of the knowledge-based economy, information technology and related sectors are one example of that. But the boom that is now taking place in agriculture and biotechnology, the boom that is now taking place in the growth of Indian pharmaceutical industry and the fact that many firms of international repute are looking upon India as a research and development laboratory is indicative of the winds of change that are now blowing all over our country. In all these areas I see exciting opportunities for investment.

In the financial field, in the services industry, India's financial services activity has undergone a sea change. We have a regulatory mechanism which is world class. Securities and Exchange Board of India regulates our capital markets in a transparent manner. We have a vast network of banking system. Our banking system and our financial markets have been thrown

open for increased participation by the private sector. In the years to come, India's financial sector will also see massive changes in terms of technology, in terms of productivity growth. This is also another sector where I see very large opportunities of participation by our friends from abroad.

So, I wish to invite you to look at India as an investment destination of promise and of great potential. As I said, I do recognize that there are infrastructure deficiencies. I do recognize that sometimes our bureaucratic procedures come in the way of speedy decision-making. When people talk of corruption, I do not deny that there are instances where prospective entrepreneurs feel frustrated because of the hold of bureaucratic hurdles on processes of investment. I cannot promise you that we are going to get rid of all these things in a short period of time but we will make every serious effort to grapple with these deficiencies including the gaps in our tax system. It will be our effort in the next year's budget to ensure that India's tax structure provides adequate incentives to encourage growth of creativity, adventure and enterprise.

With these words, I would urge you to re-look at India. I sincerely believe India and Europe have a lot of things to do together. There is immense potential. So far this potential has been merely latent. It is now time that we work together jointly to exercise this vast potential, convert it into a living reality. The future is here. We must seize the opportunity.

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338. Joint Press Conference by Prime Minister Dr. Manmohan Singh, the Prime Minister of The Netherlands and President of the European Council, Jan Peter Balkenende and President of European Commission Dr. Romano Prodi.

The Hague, November 8, 2004.

Prime Minister of Netherlands: : Good afternoon Ladies and Gentlemen.

It was a great pleasure for me to welcome Prime Minister Singh in the Netherlands, and to chair the Fifth EU-India Summit.

We are very pleased about the fast and dynamic development that the relationship between EU and India has undergone, notably since the first Summit in Lisbon in 2000 from economic and development cooperation to more political and strategic dimensions.

Today, we have decided to launch a strategic partnership with India. In doing so, there will be a substantive upgrading in our relations. In the current period both administrations will prepare an action plan to further elaborate a structure of cooperation that will be presented at the next Summit in New Delhi in 2005. Presently the EU has strategic partnerships with Canada, China, Japan, Russia and the United States.

We have a lot of similarities and common interests. Both the EU and India are increasingly involved in world affairs. We are staunch supporters of effective multilateral action to strive for a safer and more prosperous world, and we share a firm and longstanding belief in democratic values. On this basis we can achieve a great deal together by cooperating on global and multilateral issues like countering terrorism, non-proliferation of weapons of mass destruction, and pushing forward the Doha Development Agenda and the Framework Convention on Climate Change.

When we look at the map and draw a line from The Hague or Brussels to New Delhi, we see the EU and India as poles of stability. But we also see a lot of instability in the regions between us starting in the western Balkans; then the Middle East with its many unresolved problems; the serious crisis situation in Iraq; Afghanistan which despite a very successful Presidential election still has a long way to go. We want to develop our dialogue and cooperation with India on all these issues. We believe that India has a crucial

role to play in promoting security, stability and democratic reforms in South Asia and in the Asian Continent as a whole, and on a global scale.

I will not go into all the reasons why we are extremely pleased to launch the strategic partnership between the EU and India. They are reflected in the Joint Press Statement that you have received. But I can assure that it fills me with great hope and confidence in the future.

Prime Minister of India : Excellencies and Ladies and Gentlemen of the press,

I would like to convey my deep appreciation to the Prime Minister of the Netherlands for his energetic leadership of the EU during the Dutch Presidency and the host of this historic summit which has successfully launched the India –EU strategic Partnership.

India and EU are natural partners. Our relations are based on shared values of democracy, pluralism, rule of law, a free press and an independent judiciary. Our partnership has evolved over the years from economic and development cooperation to a broad based engagement on a wide range of issues. Our strategic partnership symbolizes a qualitative transformation in our interactions based on trust and mutual confidence.

In our meeting today we reviewed the state of relations between the European Union and India. Considerable progress has been made since our first summit in 2000. We expressed particular satisfaction with the European Commission's report on the India–EU Strategic Partnership and the Council's and European Parliament's conclusions on the report. India has responded comprehensively to the EU report. We have identified a number of proposals covering the entire range of sectors to take forward India – EU relations.

The Joint Press statement released today is a reflection of the desire of both India and the EU to impart strategic depth to our relationship. It also symbolizes the growing convergence of our perspective on a number of issues of regional and international concern. Our partnership is vital to managing the challenges of Global interdependence. We will deepen our engagement on the key issues of the day – globalization, terrorism, proliferation, energy, environment. Instability in our common extended neighbourhoods is a matter of concern to both India and the EU.

The EU is India's largest trade and investment partner. We observed that both bilateral trade (US$ 28billion) and investment (US$ 5.5 billion) are growing well, but far below potential. India's ongoing economic liberalization has opened up numerous opportunities. We expressed our commitment to dealing with issues that hamper our bilateral trade, and to jointly explore new areas of cooperation in frontier areas of technology for mutual benefit. Our decision in principle to collaborate in the development and operation of the Galileo Navigation Satellite System signifies our growing partnership in science & technology. There is positive response to our interest in participating in the International Thermonuclear Experimental Reactor (ITER) project.

We have accepted the EU invitation to organize an EU-India Environment Forum next year. We hope to extend the range of our cooperation with the EU on energy issues, including in the area of nuclear energy, through the newly formed Energy panel.

Both India and Europe are cradles of civilization. It is therefore only natural that our relationship includes a strong cultural dimension. The India-EU Declaration on Cultural Cooperation and exchanges in a wide variety of areas including organizing cultural events, exchange of artists and cooperation and exchanges in a wide variety of areas including organizing cultural events, exchange of artists and cooperation in restoration of ancient monuments and preservation techniques.

India and the EU will now be working together to draw up a comprehensive Agenda of Action which will be formally endorsed at the India–EU summit next year.

President of European Commission : I have a great privilege to attend all European Union-India Summits.

I think that we had a great progress with the strategic partnership that we launched today. It is a culmination of the initial work and the starting of a new period. In the next period we shall work more closely together in support of our main strategic goals.

The first one is multilateralism. We worked together in this direction. Second is improving our cooperation in a number of concrete issues. I will mention only a few. We have for example a strong peacekeeping record,

close cooperation in conflict prevention, and post-conflict reconstruction. Second is regional integration. We in Europe have this experience and we are ready to support India and SAARC. But in this phase, in economic field, economic cooperation partnership, we want to initiate dialogue in industrial policy, environment, competition, research, information technology and biotechnology.

This morning I proposed setting up an energy panel because I know that the current rise in prices could really put in danger the development of the new countries. India and China need more and more energy, and we must work for energy to everybody and not only for the happy few in the future. In addition to that is the environment programme. This is the agenda for the future and clearly this strategic partnership is, as the Indian Prime Minister showed in his deposition, more and more strategic.

Now, if you permit me, one statement on a different subject for the European papers. I learnt about the outcome of the referendum in Macedonia on the administrative boundaries. I am happy with the result because it shows the clear commitment of the majority of the Macedonian population for their poll process and their effort to make all the ethnic communities live in peace and vote together in the direction of a multi-ethnic society. This is clearly not a point concerned with our agenda but I wanted to stress because this has been another step on the concept of Europe that we have clearly in our mind.

Question (Mr. Siddharth Varadarajan, *The Hindu*) : My question is addressed to Prime Minister Balkenende and also to Mr. Prodi: On the discussion on energy cooperation and the specific reference to Energy Panel, I was wondering if you can provide a little more insight into what exactly this is going to involve. What is the extent of the proposed collaboration, if any, on the ITER Project?

Prime Minister of Netherlands: : I think the best is that President Prodi gives answer to that because this morning he talked about it. To make a general remark on it, if you talk about situation of energy, you know that this has a worldwide dimension. We have to work together. We also have common responsibilities. In that way President Prodi made some remarks. He also made some agreements on further cooperation.

Also on environmental issues, there is consensus that we have to work together on these issues. You mentioned ITER. It was also discussed

during this morning session. Mr. Prodi will give reply on that.

President of European Commission : On energy the situation is, in my opinion, in the long term, dramatic. We could have a decrease in oil prices in short term. I do not know! I am not professionally forecasting this to you. But I do understand that supply and demand are not in equilibrium. Taking into account the needs of India and China and the new countries, I do not want your development to be stopped because of lack of energy. This we must keep in mind now. This was my agenda when I was in a meeting in Hanoi. This was enthusiastically approved by them and clearly I do not want that India does not take part in this starting project for that because, it, in my opinion, really is an emergency. Thank God! In the last ten years Asia is waking up and we cannot stop it because of the lack of energy. This is the clear starting point. This means scientific cooperation; this means new forms of energy and also political cooperation. Because when we have to propose to our public opinion new energies, we need to help each other. We need to be clean, loyal and trustworthy with our electorate. This is the reason why recent Asia cooperation will be absolutely urgent for us.

For climate change, Kyoto, I think we have the same wavelength, the same sensibility. We are sure that nobody would be damaging the developing countries. We work based on this clear-cut programme, on the idea which we expressed and the will of tackling with technical aspects, technical problems that now are an obstacle for full cooperation. These are the three points that we discussed.

Question : What are some of those technical problems?

President of European Commission : It is like standards, technical compatibility that are so important for the cooperation between European industry and India.

Question : Two questions to the Indian Prime Minister, if I may. Does the ownership Agreement with the European Union include anything more on participation in the Galileo Satellite Project? I think we know that India plans to invest 200 million dollars in that. Could you say anything more about that?

While you are here, could I also ask you what you think of the Indian Planning Commission's proposal to use India's foreign exchange reserves

to develop infrastructure in your country?

Prime Minister of India : We have had a preliminary discussion on our participation in the Galileo Project for developing a satellite navigation system. Further discussions will be held to operationalise this regime.

As regards the Indian Planning Commission's proposal for using foreign exchange, this is a matter which is being discussed within the Government. It would be not proper for me to comment on a proposal which is being examined at various technical levels in our Government.

Question (Mr. Arindam Sengupta, *Times of India*) : My question is addressed to Prime Minister Manmohan Singh as well as to Mr. Prodi.

In your discussions, did the subject of outsourcing of jobs crop up? If so, what was the point that India put across and what was the response from the EU?

Prime Minister of India : This subject did come up and we pointed out that outsourcing was the logical growth of the processes of globalisation, and that it has to be viewed in a proper perspective. We emphasized that those who participate in the outsourcing process are taking advantage of the opportunities existing outside to reduce their cost of production and, therefore, it is wrong to believe that outsourcing really hurts the countries which are providing markets for outsourcing. I found there was great appreciation of our point of view in the EU.

President of European Commission : I touched this problem. Clearly sometime outsource … but honestly we never had dramatic tensions in Europe. You read many times in newspapers but in the real terms the European society has understood this passage, this change. Also because, and I insisted this morning, if you take the balance of trade between India and Europe, it is almost unbelievable. It is quite balanced. It seems to be built by purpose. So, it is easy to demonstrate that clearly you lose jobs when you bring some activity, some outsourcing to India but it is balanced by an enormous increase in export. This is the line that we must take on this problem of outsourcing.

Question (Mr. Jayaram, Indo-Asian News Service) : Mr. Prodi, the EU has always advocated a multipolar world. How do you see the re-election of President Bush? And, what kind of impact do you think that is going to

have on your efforts?

President of European Commission : How do we see? Bush won. We lived for four years and we shall live four years again.

To be very frank and very clear, there was the issue of Iraqi war in which we were divided, and we were divided inside EU also. But starting from the anti-terrorism action we had fantastic cooperation between US and Europe. We were discussing about Galileo. But if you remember, a few years ago the US was strongly against Galileo. They did everything to slow it down. Now, we have made a fantastic agreement. We work together. I can list many many fields in which we have progressed. Even in trade, steel and so on and so forth. Now we have Boeing and Airbus. But we must always have two per cent of tensions in our life. I think for the future we shall have the same basic division on some basic issues, let us say, international tribunal, Kyoto, Iraq, but strong cooperation in all other fields.

Prime Minister of Netherlands: May I make an additional remark. On Friday, I phoned President Bush on behalf of the Heads of Government of the European Union. Of course, we congratulated him on the result of the elections. But if you listen carefully to the European political leaders, you could see that when they congratulated President they also said, 'Let us improve and strengthen the ties between the United States and the European Union.' I underlined that remark of many of the Heads of Government when I phoned President Bush because we have many shared responsibilities. If you talk about the situation in the Middle East, situation in Afghanistan, struggle against terrorism and all these other issues, it is important that the EU and the US are working together. I think it is also in the interest of the world. If you talk about sharing values in the world society, it is important there is no, you talk about … It is important that we talk in terms of mutual respect also on a world scale. Therefore, it is important that countries are drawing the same lines. You have seen, during the Iraq crisis, the military intervention, the NATO was split up, the EU was split up, the United Nations was split up, and I think that is not the best way. I would like to remind you of the fact that the willingness to cooperate with the US is there in Europe and also President Bush do invest in good relations with EU. President Bush said to me that he really wants to work together with the European Union. That is something more than a nice remark. "Working together", in good words is what has to be done.

Question : One of the aims of the strategic partnership is to increase trade and investment. Did the EU have any concerns on India's foreign investment policy by way of political problems? Did they raise any doubt or offer any suggestion or something?

Prime Minister of India : We both have agreed that the volume of trade between the European Union and India as well as the flow of investment from the European Union to India is far below their potential, and that there are problems. Therefore, both of our countries have the obligation to find ways and means to ensure that the flow of investment as well as the flow of trade reaches their true potential.

Question : I would like to ask question to Commissioner Prodi and Prime Minister Balkenende:

I would like to draw your attention towards Kashmir. Did you discuss - since EU always upheld human rights situation in the countries - anything about Indian held Kashmir and the human rights situation there? My question to Prime Minister Manmohan Singh is, what is his response to the recent proposal by President Musharraf?

Prime Minister of Netherlands : We had a very good discussion this morning on several topics and one of them was the situation in Kashmir. We welcome and encourage India's efforts to engage in a dialogue on broad spectrum of the Kashmir stakeholders. It is important that a country like India is involved in the development in Kashmir. The Prime Minister informed us about the situation and we brought over the concerns that of course exist in Europe on the situation in Kashmir. We had a fair discussion on that. Maybe it is good that Prime Minister Singh also says something on the issue. It was raised during the discussion this afternoon.

Prime Minister of India : In the beginning of this year, in January, Prime Minister Atal Bihari Vajpayee and General Musharraf met in Islamabad and they agreed on a Joint Statement that the territory of Pakistan will not be allowed to be used for cross border terrorism. Thereafter, began the process. There was an agreement that we should begin a Composite Dialogue Process covering all the outstanding issues including Jammu and Kashmir. When we met in New York on the sidelines of the United Nations General Assembly, we reiterated our joint effort to move forward and carry forward this dialogue. So long as Pakistan abides by its commitments as given in

January 2004, we are prepared to engage in a serious dialogue with Pakistan to resolve all outstanding issues. That also applies to the issue of Jammu and Kashmir.

As regards any proposals, if you are referring to what General Musharraf said at an *Iftar* Party, I do not consider it as a proposal. When we receive any formal proposal we will react to that in appropriate manner.

Question : How much money India would be prepared to put into the Galileo Project? And, would you be prepared for demilitarization of Kashmir?

Prime Minister of India : As far as Project Galileo is concerned, this is a matter of discussion. We are prepared to put in money appropriate to our participation in this vital project.

As regards the demilitarization of the State of Jammu and Kashmir, you must recognize that Jammu and Kashmir is an integral part of India. Therefore, this question of deployment of troops in our own country is not a subject matter of discussion with outside agencies.

Question (Mr. Anurag Tomar, Zee News) : My question is addressed to Mr. Balkenende:

The Joint Declaration mentions of the EU and India working together to strengthen United Nations but does not mention of any kind of support for India's candidature for Security Council's permanent membership. Why do you think that happened?

Prime Minister of Netherlands : It is an important question. Prime Minister Singh made clear the position of India and we know what the intention is of the authorities in India. The EU has not formulated a common position on this issue. Several European countries are involved and held discussion and they have expressed their national point of view. As for the Netherlands, we have not made up our minds and it has to do with the fact that there are a lot of claims at this moment if you talk about the composition of the Security Council. We (will) wait for the report of the high-level panel in the beginning of December and its recommendations. That is the position of the Dutch Government. As for the EU as such they did not formulate a common position on that.

Question (Mr. B.M. Chengappa, *The Deccan Herald*): I wanted to know

whether the discussions this morning focused on the question of EU absorbing more IT talent from India?

President of European Commission : No, but if you offer them we can deal.

We discussed one point that we want to start to extend to India Erasmus Mundus (for) one thousand top Indian students to come to Europe with this project. I hope this would be more and more increasing. This is for exchanging scientific expertise. … the project of exchange among European students of different States and Nations, for the first time is extended to the non-European students. The first lot of one thousand Indian students that can come immediately to participate in this project. I believe this is a small but a good start for cooperation.

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339. Joint Press Statement issued at the end of the 5th India-EU Summit.

The Hague, November 8, 2004.

The 5th Summit between the EU and India was held in The Hague, The Netherlands, on 8 November 2004. The EU was represented by the President of the European Council, Dutch Prime Minister Dr. Jan Peter Balkenende, the President of the European Commission, Dr. Romano Prodi, the Secretary General/High Representative for Common Foreign and Security Policy Mr. Javier Solana, the Commissioner in charge of Trade Relations, Mr. Pascal Lamy, and the Netherlands Minister for Foreign Affairs, Dr. Bernard Bot. India was represented by the Prime Minister, Dr. Manmohan Singh, the External Affairs Minister, Mr. Natwar Singh, and the Commerce and Industry Minister, Mr. Kamal Nath.

The leaders sent the following message:

We express satisfaction with the excellent atmosphere of this Summit and the substantial results achieved over our agenda. This Summit has highlighted the considerable progress made in strengthening the EU-India relationship since our first Summit in 2000. We are particularly satisfied

with the European Commission's Communication of June 2004 on an "EU-India Strategic Partnership", the Indian Response Paper of August 2004, the Conclusions of the Council of the EU on 11th October, 2004 and the Recommendation of the European Parliament of 28th October, 2004.

India and the EU representing the largest democracies in the world reiterate that their partnership is based on the sound foundation of shared values and beliefs. Our common commitment to democracy, pluralism and rule of law and to multilateralism in international relations, is a factor for global stability and peace. We recognise that our partnership has evolved over the years from economic and development cooperation, to acquire higher political and strategic dimensions, and that this should be further strengthened through more intensive dialogue.

1. We agree that in the immediate future we will take forward the implementation of key actions in the following areas, namely:

- to jointly elaborate a comprehensive EU-India Action Plan for a strategic Partnership and a new Joint Political Declaration based on the Commission's Communication, the Council's Conclusions and India's response paper, for approval at the 6th Summit meeting;

- to encourage the holding of regular, institutionalised parliamentary exchanges between the Indian Parliament and the European Parliament. We will also promote cooperation between political parties, trade unions, business associations, universities and civil societies;

- to install a dialogue on disarmament and non-proliferation;

- to consider regular exchange of views on possibilities for co-operation on themes like resolution of conflicts, peace operations and reconstruction;

- to strengthen the flow of students and scholars between the EU and India through the funding of an India-specific scholarship programme under Erasmus Mundus;

- to set up an Energy panel to coordinate joint efforts;

- to organize joint workshops on automotive engineering, genomics and life sciences and nanotechnology.

- to organize an EU-India environment forum to exchange views and information on issues of mutual interests, knowhow, technologies and on

research and analyses of specific themes.

2. India welcomes the enlargement of the EU, the signing of the Treaty establishing a Constitution for Europe by the EU Heads of State and Government and the efforts to revitalise the Lisbon strategy to make Europe the world's most competitive economy by 2010. We affirm that deepening and widening of the EU should contribute to further strengthening of our relations.

3. The EU welcomes the policy initiatives the Indian Government made in the Common Minimum Programme and the abiding commitment of the Indian Government to economic reforms for stimulating growth, investment and employment.

4. We reviewed the developments since the last EU-India Summit in New Delhi on November 29, 2003. We express satisfaction on the progress made on the different elements mentioned in the Agenda for Action which was adopted at that Summit.

5. We agree to intensify co-operation and take action to facilitate and expand bilateral trade and investment flows, given the importance of realising the potential of the growing Indian and EU markets and the mutual benefits of increased economic interaction. We commit to pursue issues key to increasing market access and creating an enabling economic environment.

6. We are encouraged by the holding of the first Steering Committee under the Science & Technology Agreement in March 2004 and the steps being taken to encourage greater co-operation in this domain vital to both communities.

7. We welcome the progress in the on-going discussion on the EU-India Draft Cooperation Agreement on the Galileo satellite navigation project. It will ensure India's equitable participation in Galileo space, ground and user segments and will guarantee the availability of highest quality signals over the Indian territory. Considering that India has well proven capabilities in space, satellite and navigation related activities, the agreement will provide an important positive impulse for Indian and European industrial co-operation in many high tech areas. We express our willingness to continue our discussions with a view to conclude the agreement in the near future.

The EU and India both have very mature space programmes and a long history of working together through their respective space agencies ESA and ISRO in the peaceful exploration and use of outer space. The EU expresses its interest in the Indian unmanned lunar exploration mission Chandrayaan-1. We support and encourage the cooperation between ESA and ISRO.

8. We note the successful conclusion of the Customs Co-operation Agreement, and look forward to it being used to improve trade flows and fight against customs fraud.

9. We are pleased to note that the negotiations on the Maritime Agreement are progressing.

10. Our strategic dialogue on the Information Society continues to deliver outstanding results. We welcome the successful outcome of the 2004 Euro-India Cooperation Forum on the Information Society that was held in New Delhi on 24-26 March, 2004. We agree to work towards a mutually acceptable mechanism to connect EU and Indian Information networks in order to facilitate linkages in the area of research and technological development.

11. We commend the continued development of the Joint Initiative for Enhancing Trade and Investment through the launching of the Round Table of Business Leaders as well as the series of business seminars.

12. We recognise the special importance of strengthening the flow of students and scholars between the EU and India. We welcome the Scholarship initiative in conjunction with Erasmus Mundus (Euro 33 million) in supporting grants for Indian students in top quality European Master courses. We also encourage the setting up of chairs in designated universities in India and the EU.

13. We welcome the signing of the MOU between the two sides on the States Partnership Programme providing a framework for cooperation in the sectors of education, health and environment. We welcome the progress made in the implementation of the Disaster Management Preparedness Programme (Euro 10 million) and urge early operationalization of the States Partnership Programme (Euro 160 million) and Trade and Investment Development Programme (Euro 14 million).

14. We reaffirm our common belief in the equal importance of civil, political, economic, social and cultural rights and our commitment to their full realisation. We affirmed our willingness to continue discussing Human Rights in a comprehensive manner.

15. We stress the cultural dimension of our relationship. Based on our rich cultural heritage, we agree to encourage dialogue between European and Indian cultural actors and to promote exchanges, events and co-operation at all levels particularly to coincide with future EU-India Summits. The EU-India Joint Declaration on Cultural Relations sets out our objectives.

16. We unequivocally condemn all acts, methods and practices of terrorism and stress that solidarity and international co-operation are integral to combat terrorism. We emphasise that measures to combat terrorism should be comprehensive and sustained. We stress that further strengthening cooperation in combatting terrorism is a priority area for the EU-India Action Plan for a Strategic Partnership. We will in particular seek to

- deepen the international consensus and enhance international efforts to combat terrorism,

- reduce the access of terrorists to financial and other economic resources,

- protect the security of international transport and ensure effective systems of border control,

- address the issues which create an environment conducive to terrorism, including support for and recruitment into terrorism,

- explore ways to strengthen the counter-terrorism dialogue by covering, as appropriate, other security related issues.

We will continue to support the work of the United Nations to ensure universal adherence to, and full implementation of, all UN Security Council Resolutions, UN Conventions on Terrorism and related Protocols, including promoting an agreement on the draft Comprehensive Convention on International Terrorism. The fight against terrorism must be carried out in full respect of human rights, fundamental freedoms and the rule of law.

17. We confirm our strong support to the UN Framework Convention on Climate Change and emphasise the central role of its Kyoto Protocol. We welcome the ratification of the Kyoto Protocol by the Russian Federation and urge countries that have not yet ratified it to do so soon. We will work together for the post 2012 framework to guide global action in order to meet the objectives of the UNFCCC and increase the effectiveness of action in tackling climate change. We also intend to work together to implement the Johannesburg Plan of Implementation that was agreed upon at the WSSD.

18. We reiterate the importance of the implementation of the agenda formulated at the International Conference on Population and Development and the Declaration of Commitment on HIV/AIDS adopted by the General Assembly of the United Nations (2001). The need for community based and public oriented solutions to tackle communicable diseases, especially HIV/AIDS, was stressed. We underline the need for cooperation between our Research institutions, bio-technology sectors and the Governments in the research and development of preventive and therapeutic interventions including the development of vaccines against major diseases such as HIV/AIDS, Tuberculosis, Malaria.

19. India and the EU are partners in promoting global peace and security and remain committed to the goal of universal disarmament. In recognition of shared concerns of the international community regarding the danger posed by the proliferation of nuclear, chemical and biological weapons including acquisition by non state actors, we resolve to enhance collective action to fight the proliferation of WMD as well as the means of delivery. We believe that our response to proliferation challenges requires strengthened multilateral consultations and the pooling of all efforts and resources. Indian and EU experts shall meet to identify specific areas of co-operation. We agree that effective export control measures for dual use goods can play an important role in preventing proliferation, and at the same time, such measures should not hamper international co-operation in materials, equipment and technology for peaceful purposes.

20. We reiterate our commitment to strengthening the role of the UN. An effective multilateral system based on the principles of international law, with a strong United Nations at its center is essential for achieving peace and international security and meeting global threats and challenges. We

recognize the need to make the multilateral system more responsive in bringing the objectives of the global agenda forward, including sustainable development and implementation of the Millennium Declaration. In this regard, we underlined our firm wish to make the UN Major Event 2005 a success, and agreed to support a comprehensive approach which would address the implementation of the Millennium Declaration and of the Millennium Development Goals, as well as issues related to peace and security and UN reforms.

We stress the need for a negotiated outcome of the CSD-13 that expedites implementation of key actions to achieve agreed goals and targets in the field of water sanitation and human settlements.

21. We reiterate our support to the ongoing process of the reform of the UN and its principal organs, including the General Assembly and the Security Council with a view to strengthening and enhancing the representativeness, transparency and effectiveness of the UN System. We look forward to the report of the UN Secretary General's High Level Panel on Threats, Challenges and Change. We agree to exchange views on the report and the recommendations thereon.

22. We express our strong commitment to the re-construction and stabilisation of Afghanistan in partnership with the Afghan government. We welcome the process of democratization in Afghanistan and especially the presidential elections held on 9 October, when millions of Afghans cast their vote with great enthusiasm. However, we express concern at the continuing threats to stability and terrorist acts, particularly in South and South-East Afghanistan. The proliferation of poppy cultivation and drugs production is a major problem, and countering it is a priority issue. We, therefore, reaffirm our commitment to assist the Afghan authorities in their efforts in this regard.

23. We reviewed the situation in the Middle East and agree that Israeli intention to withdraw from all Gaza settlements and parts of the West Bank can constitute a step towards achieving the two State solution and had the possibility of restarting progress on the Roadmap, provided that it takes place in accordance with the relevant UNSC resolutions and in the context of the roadmap, that it is a step towards a two state solution, that it does not involve a transfer of settlement activity to the West Bank, that there is an organized and negotiated handover of responsibility to the Palestinian

Authority, and that Israel facilitates rehabilitation and reconstruction in Gaza. The proposed withdrawal should be properly coordinated with the international community so as to ensure that an orderly situation in Gaza results, which would permit the maintenance of security as well as rehabilitation and reconstruction.

We reiterate our call to the parties to fulfill all their obligations under the Roadmap and to cooperate with the Quartet without delay. We reaffirm that a just, peaceful and lasting solution to the Middle East conflict can only be achieved through political negotiations between the parties with the active support of the international community. Such a comprehensive solution must also include Syria and Lebanon.

24. We welcome the restoration of full sovereignty to Iraq and the unanimous adoption of UNSCR 1546, which underlines the support of the international community to the Interim Government of Iraq as it guides the country towards elections. We note with particular satisfaction, the role accorded to the UN through UNSCR 1546. We underline our concern that the current campaign of terrorist violence is leading to significant loss of life, particularly among civilians. We condemn all violence and terrorist attacks, including the kidnappings and brutal murder of hostages, which impede the path to political progress and economic reconstruction in Iraq. We agree to continue our support to the emergence of a stable, secure, representative and democratic Iraq and to work together in the multilateral effort for Iraq's reconstruction for restoring peace and prosperity. We will encourage positive engagement and regional support from Iraq's neighbours for the political and reconstruction process in Iraq.

25. We welcome the commitment of the Government of Sri Lanka and the LTTE to a peaceful solution to the conflict and encourage the parties to resume peace talks without delay. We reiterate our common view that a peace settlement can only be sustained if it respects the legitimate rights and involvement of all ethnic groups, preserves the unity, sovereignty and territorial integrity of Sri Lanka and is based on the principles of democracy and human rights. We note that success will depend on the willingness of the parties to show political courage and flexibility in discussions towards a peaceful solution.

26. We share a common analysis of the situation in Nepal and welcome the formation of a multi party Government. We encourage the reopening of

peace negotiations between the Government of Nepal and the Maoist insurgents. We support an early settlement of the crisis, based on multiparty democracy and constitutional monarchy. We call on all parties to respect international humanitarian law and Human Rights standards and commitments.

27. We discussed the situation in Burma/Myanmar. We agree that the National Convention should include all political parties and ethnic groups, and support the efforts of UN Special Envoy in facilitating political reconciliation. Both sides agree that progress towards democracy in Burma/ Myanmar will contribute to both peace and prosperity in the country.

28. The EU welcomes the positive evolution of the relationship between India and Pakistan, and looks forward to its consolidation through the on-going "composite dialogue" in an atmosphere free from the menace of terrorism and violence, in accordance with the Joint Press Statement of January 6 and September 24, 2004. We share the view that improved relations between India and Pakistan and closer regional integration in South Asia will be mutually reinforcing.

29. We welcome the successful SAARC Summit in Islamabad in January 2004 and the recent agreement on SAFTA which will promote economic integration in the region. We note EU's willingness to co-operate and to share its experience regarding regional cooperation with SAARC.

30. We note India's aspiration to become as early as possible a member of ASEM to complement its ASEAN Summit level dialogue status.

31. We reaffirm our commitment to further strengthening of the multilateral regime of WTO. We welcome the framework text adopted among WTO members in Geneva. While substantive work remains, the text reaffirms value and primacy of the multilateral trading system and the importance WTO Members attach to it. Both the EU and India played a pivotal role in the formulation and adoption of the text and worked closely and constructively together on key parts thereof. We reaffirm that the development dimension remains at the heart of the on-going negotiations. We will continue our working relationship throughout the remainder of the Round and thereby contribute to a successful conclusion of the Round.

32. We agree that the 6th EU-India Summit will be held in New Delhi end-2005, on dates to be mutually agreed.

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340. Joint Declaration on Cultural Relations issued on the occasion of the 5th India -European Union Summit.

The Hague, November 8, 2004.

The European Union and India, which enjoy rich and diversified cultural traditions, recognize culture as an important instrument to foster close cooperation among States, to promote interaction among civil societies and to develop a better understanding among people. We share the objective of contributing to the promotion of cultural diversity which we consider an inalienable value and the promotion of the dialogue among cultures at international level. We will exchange perspectives for a better understanding of each others' position on the development of the New Convention being negotiated under the aegis of UNESCO on the protection of the diversity of cultural contents and artistic expressions.

We express satisfaction at the considerable number of programmes and cultural exchanges existing between the EU Member States and India. They endeavour to increase these exchanges both at institutional level as well as at the level of public and private organizations.

We believe that more areas of cooperation can be further considered and exploited, especially in fields where longstanding cultural traditions, as well as contemporary creations, can enrich such cooperation and make it fruitful. We will identify such areas and explore ways of collaboration.

We are convinced that the cooperation between institutions of higher education and the exchange of scholars and students play a significant role in enhancing mutual knowledge. Therefore, building on the programmes existing at national level and in compliance with them we welcome the launch of the Erasmus Mundus programme and the initiative to create a special India Window within Erasmus Mundus, which will allow Indian students to study in the Universities of the Member States of the European Union. EU took note that similar opportunities are offered to students from each EU member state annually through Indian Council for Cultural Relations (ICCR). We agree to facilitate access to academic institutions and residence in each other's territory of academics and students admitted into bona fide programmes of such institutions. We will also endeavour to promote the establishment of chairs in select universities on both sides for

study of each other's civilisations, and contemporary politico-economic systems.

We express satisfaction at the interest shown by the participation of European and Indian institutions and organizations in the "EU-Economic-Cross Cultural Programme". The European Union and India will do their best so that such a programme is enriched with new and articulated forms of cooperation, believing that it is a significant instrument for reciprocal exchange of experiences and for deeper understanding of their reciprocal cultural backgrounds.

The field of conservation and restoration of works of art and monuments is an area where an exchange of experiences, techniques and know-how could give an important added value to the preservation of cultural heritage. The Asia Urbs programme provides a potential in this field that can be further tapped.

We hope in a full utilization of the reciprocal potentialities in film production and distribution and wish to explore the possibility of promoting exchanges and other appropriate forms of cooperation in television sector, aimed at spreading awareness of the respective cultures. In this regard, the European Union and India will promote a dialogue between their respective audiovisual industries with a view to stimulate cooperation and exchanges of programmes.

We also agree that promotion of tourism in both directions and enhancing interaction between the youth, including through encouraging the setting up of additional cultural centres on both sides should be an important priority to enhance mutual understanding among the new generation.

We agree to work towards the elaboration of a specific chapter on cultural co-operation within the "EU-India Action Plan for a Strategic Partnership".

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BULGARIA

341. Press statements by External Affairs Minister K. Natwar Singh and Bulgarian Foreign Minister Dr. Solomon Passy at the end of their talks.

New Delhi, July 28, 2004.

Mr. Natwar Singh: I have great pleasure in welcoming, H.E. Dr. Solomon Passy, Foreign Minister of Republic of Bulgaria and accompanying high–level delegation to India.

Bilateral relations between India and Bulgaria are excellent, being based on age-old cultural and historical ties. The mutual goodwill was in evidence during successful State visit to Bulgaria by the Hon'ble President of India in October 2003.

We have had a comprehensive and constructive exchange of views on bilateral, regional and international issues of mutual interest. There was unanimity of views on major issues including combating terrorism and Indian candidature for the UN Security Council that Bulgaria supports. We agreed to take measures to upgrade our economic ties. We expect the Joint Economic Commission to meet in November 2004 to identify areas of co-operation and chalk out specific strategies. I am glad to announce that India would be sending a cultural troupe to Bulgaria to commemorate the fiftieth anniversary of establishment of bilateral relations in December this year. We also signed a Memorandum of Understanding on cooperation between our diplomatic training institutes.

I am confident that Dr Passy's visit would promote the traditional understanding and cordiality between Indian and Bulgaria and would give a fillip to our co-operation.

Dr. Solomon Passy: Thank you very much your Excellency for a very warm welcome by the Indian government and the Indian people and a very very warm welcome extended to my delegation and myself. I believe we have excellent relations with India which we believe will be deepened in future. We are celebrating the fiftieth anniversary of our bilateral diplomatic relations and it is a very good occasion for us to build upon it. We are very thankful for the visit of the Indian President to Bulgaria in 2003 which has provided

a strong stimulus to our bilateral relations. I am coming here with three invitations. First, an invitation to His Excellency Minister of Foreign Affairs to visit Bulgaria. Also, an invitation coming from my Prime Minister to the Indian Prime Minister to visit Bulgaria. Last, but not the least, to the Minister of Defense of India to visit Bulgaria. We have good relations in trade and we have very good relations in defense and I believe that this will be deepened in future.

I am bringing with me a large business delegation which shows the interest of the Bulgarian business community in India. Bulgaria has just become a member of NATO and has just completed the negotiations for membership of the European Union. Bulgaria became the leading candidate of the membership of the European Union in the Balkan Peninsula. Therefore, we believe and we told our Indian friends that we shall be happy to become the door of India to the European Union. Bulgaria and India together have a population of 1.1 billion people and we believe that this evaluation may make a difference for very good bilateral relations in future. We do support India for the permanent membership of the Security Council of the United Nations, because this reflects the proper situation of the weight of India in international relations, not just in the region, but worldwide.

Thank you once again Your Excellency for your warm hospitality.

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342. Press release of the Ministry of External Affairs on the Golden Jubilee of the establishment of diplomatic relations between India and Bulgaria.

New Delhi, December 22, 2004.

The Golden Jubilee of the establishment of diplomatic relations between India and Bulgaria is being commemorated on December 22, 2004. Over the past few weeks, this occasion has been marked in both India and Bulgaria through a string of cultural events, shows, exhibitions and symposia.

Earlier this month, Hon'ble EAM Shri K. Natwar Singh sent a special message of greetings to H.E. Dr. Solomon Passy, Foreign Minister of the Republic of Bulgaria on this occasion. Lauding the continued amity between India and Bulgaria, the Minister's message stated, "During the last fifty years our nation-to-nation ties have passed through epochal changes within and without. The endurance of these ties is a veritable testimony to these being based on the bedrock of amity among our two peoples as well as the shared values and visions of our two leaderships."

Foreign Secretary Shri Shyam Saran spoke in a similar vein at a seminar on "50 years of Indo-Bulgarian Friendship", organized at the India International Centre on November 30, 2004.

Although diplomatic relations were established in 1954, Indo-Bulgarian bonds go back centuries having both old civilizations and rich cultural heritages. In the recent past, Rashtrapatiji paid a historic visit to Bulgaria in October 2003. H.E. Dr. Solomon Passy, the Foreign Minister of Bulgaria had visited India in July 2004. Last month, a large Bulgarian delegation led by H.E. Dr. Mehmed Dikme visited India in connection with the 15th Joint Economic Commission and had useful discussions with the Indian side led by Shri Sharad Pawar, Hon'ble Minister of Agriculture.

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CYPRUS

343. Press release of the Ministry of External Affairs on the meeting between External Affairs Minister K. Natwar Singh and Permanent Secretary for Foreign Affairs, Republic of Cyprus, Sotos Zackheos.

New Delhi, November 5, 2004.

Hon'ble Minister of External Affairs, Shri K. Natwar Singh received today afternoon, H.E. Mr. Sotos Zackheos, Permanent Secretary for Foreign Affairs, Republic of Cyprus, who delivered a letter of invitation from H.E. Mr. George Iacovou, Minister of Foreign Affairs.

The visiting dignitary also held second round of Foreign Office Consultations with Smt. Shashi U. Tripathi, Secretary (West) in the Ministry of External Affairs. These deliberations centred upon bilateral matters and touched on regional and international issues of common concern.

The Cyprus Permanent Secretary also visited NASSCOM and had a meeting with its President, Shri Kiran Karnik to discuss ways of boosting Indian IT presence in Cyprus. The two countries already have an Memorandum of Understanding for cooperation in this sector.

Relevant to note that India and Cyprus have enjoyed a long-standing, cordial and substantive relationship. India has consistently supported the independence, sovereignty and territorial integrity of the Republic of Cyprus under the concerned United Nations Security Council Resolutions. On the other hand, Cyprus has supported India's bid for a Permanent Seat at the United Nations Security Council. The leaders of the two countries have been in regular contact. The bilateral trade stands at US$ 37 million. Around 2000 Indians currently live in Cyprus. Out of these almost 1000 are IT professionals.

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FRANCE

344. Joint press conference by External Affairs Minister Yashwant Sinha and French Foreign Minister Dominique de Villepin.

New Delhi, February 13, 2004.

Official Spokesperson: Good Afternoon, Ladies and Gentleman and welcome to this Joint Press Interaction by H.E. Foreign Ministers of India and France. May I first request our Foreign Minister H.E. Mr. Yashwant Sinha to kindly make his opening statement.

Mr.Yashwant Sinha: Friends, I am very happy to welcome my friend and colleague from France, Dominique De Villepin, to India. As you are aware, this is his second visit to India after he took over as Foreign Minister. This is a record which I have not been able to match so far. We are very happy that he is visiting us. He has just, as you are aware, given a seminal talk on multilateralism in the memory of Madhav Rao Scindia and I believe that the talk and the question-answer session have gone very well. I have already congratulated Mr. Villepin on his presentation.

We have spent over an hour discussing various issues. We have spent time on discussing our bilateral relationship. We have discussed the regional situation and the global situation. I have briefed my colleague on the situation in the sub continent and South Asia. Mr Villepin has come from Afghanistan to visit Delhi and he has given us a first hand account of the situation in Afghanistan as he saw it. We discussed the situation emerging in Iraq. We discussed the Middle –East and the fate of the peace process there. We have exchanged views on a number of issues.

Very briefly, we both agreed that our bilateral relationship is exceedingly good. We have no problems in our bilateral relationship. In most areas of cooperation the mechanisms which have been setup are working well and our cooperation in every area and especially in Science and Technology is proceeding apace. We have exchanged views with regard to global proliferation issues also. There is a meeting of minds on that, as indeed on other issues that we have discussed. India and France have worked in the past with the greatest degree of understanding of each other's position. We have been, in India, extremely grateful to France for the

understanding that they have shown on all issues of concern to India and in our talks today that has come out once more very strongly. It is shared values, shared concerns, shared approach to the resolution of many of those issues.

I am very happy that we had this opportunity once more. Dominique De Villepin and I had met in September on the margins of the UNGA and a few months down the lines this has been a very important occasion to exchange views, as I said, on a number of issues.

Mr. Dominique De Villepin: Let me say that I was very pleased to have this opportunity, as my friend and colleague Yashwant Sinha said. This is my second visit to India and I cannot forget that I was posted here in this country which has been for me a very friendly and respected country. We have discussed, of course, all the major items - regional crisis, terrorism and proliferation.

I was very happy to see once more that our bilateral relationship is strengthening. Major French companies, as you know, are investing in India to create partnership. Our technical and scientific cooperation reflects the achievements that we have produced together. I would just like to mention one example, the implementation in Iran of a Joint Workshop of Telemedicine, in the creation of a Joint Laboratory in Water Resources Management. In continuation, you may know that an important exhibition of Indian films has just started in Paris, which once again proves the great interest of the French public for Indian culture.

Our strategic dialogue allows us to enlarge this bilateral relationship. We share the same willingness to reinforce peace and stability in the regions of crisis and to give right answers to the main threats of our time, whether it is terrorism or proliferation. I had an opportunity, as Yashwant Sinha said, this morning to explain in front of many political leaders, academics and youngsters that India and France can use their cooperation to meet these challenges. Our approach is on the same principles, in particular, the necessity to keep the international community united so that our actions can remain legitimate. Unity, responsibility, collective security- these principles we do believe are the key factors in the stability of our world. This is true, of course, in Afghanistan. We will ensure the success of the political process if the international community remains determined to achieve security and economic development in this country. We welcome the

prospect of the Berlin conference and the political process, elections, that should take place this year in Afghanistan.

This is also true in Iraq. To ensure security and rebuild this country we must remain united. The failure in Iraq will be of course failure for everyone. We will make progress in this direction only with the help of the United Nations. We welcome, I was in New York couple of days ago discussing these matters with both Kofi Annan and Colin Powell, we welcome the decision of UN Security General to send a mission in Iraq to find how we could enrich the political process.We need to have a real political process that can set up the rules for the future of democracy in Iraq. This, of course, implies that first Iraq can recover the sovereignty as soon as possible and as you know Resolution 1511 and the Agreement between the CPA, the coalition force and the Council of Iraqi Government have decided to make this possible by the end of June. We hope that these dates can be respected.

Beyond those strategic issues India and France are participating in the definition of the new world order. One thing that strikes me is that we share the same democratic values and willingness to make them the basis of multilateral instrument. This is necessary to ensure that everyone's voice will be taken into account and that people's diversity will be correctly reflected. A number of initiatives remain to be launched to improve the efficiency of those instruments; one of them is enlargement of the Security Council. You know how much we are in favour of inclusion of India as a permanent member of this body. We are deeply convinced that India has great role to play on the world stage. India has just shown once again a sense of responsibility by opening a dialogue with Pakistan. This is in the interest of the whole region. India is deeply committed to the fight against terrorism. She has put concrete proposals supported by several countries, including France. India has also opened consultation with the countries from the South, like Brazil, where I was a couple of days ago, and South Africa to setup new rules of global governance that we need very much now.

Let me say that I am very pleased that I am here and am ready to take any questions.

Question: Do you think France can help the international community deepen its involvement in the India-Pakistan events?

Mr. Villepin: I think that India and Pakistan have exactly showed the way that is the way in which we can settle problems in the world today. The decision and the gesture of the Prime Minister of India, opening of the dialogue in last April and the last meetings between Indian authorities and Pakistani authorities are, I think, the best way to deal with these matters; bilateral relationship is of course the key to everything and between India and Pakistan, I think that the last months are giving to the whole world community the best example of how to set up solutions for this region as well as in many other areas. I think the spirit of Shimla is the best spirit in which we should work. Again, I am, after our meetings and from what we have seen during the last exchanges, quite optimistic in the goodwill of India, its intentions and its willingness to go forward. As I see, it is in the interest of the region to see the bilateral talks and this willingness to go forward and of course it is in the interest of the world community. **Question:** Your views Mr. Sinha?

Mr. Sinha: The minister has said what I wanted to say.

Question: My question is for both Ministers. What is the actual position on ground in Iraq? Are we better off now than 6 months ago or 8 months ago? On India-France bilateral relationship, in terms of selling Airbus or Scorpene submarine, do you think that Russians or the British have performed better and France has lost out?

Mr. Villepin: On the first part of your question concerning Iraq, of course, we have been following very closely during the last month the improving situation concerning the daily life of the Iraqis which is one of the key factors. Trying to rebuild the public services is a very important element and, I think, in all parts of the country we have seen some encouraging progress. The key question of security and violence does concern us very much. I think the situation of violence and terrorism is a very worrying one. We have seen direct attacks during the last month against the coalition and we are seeing today growing number of terrorist attacks against the Iraqi people itself, some very specific targets, the police, and some representatives of the Iraqi political and civil society. That does concern us very much. That is why, we believe that the political process should be enhanced and reinforced very much. It is the starting point of how to get to the full sovereignty of Iraq.

As you know, we have been proposing, in order to make sure that this progress is going to be stronger and stronger, the idea of an international

conference that would take place just after the return of sovereignty after the month of June. In order to make sure that all the political forces in Iraq are going to rule together and that we are able to maintain the unity of Iraq (we have to) also make sure (that) all the neighbouring countries in the region are going to be associated with this process. It is very important to have all neighbours - Iran, Syria, Turkey, all parts - and to have all the Arab states as part and supportive of this process. I think such a conference, which could address the economic issues and all the security issues of the region is quite important if you want to keep up the momentum. Today, we have on the ground this commission set up by UN Secretary General. We are waiting for the conclusion. It is very important to see that whether we could enlarge the political process and make sure that this process is going to be well accepted by all the parties. We will be depending on the conclusions to see what we can do and how we can do better. I think that it is in the interest of whole world community, everyone of us is concerned in what is going on in Iraq and every one of us does wish that things get better. It is in the interest of the regional community and it is also in the interest of the world community.

Mr. Sinha: India remains deeply concerned at the growing spiral of violence in Iraq. We have welcomed the involvement of the United Nations once again in the processes of Iraq. I entirely agree with what my colleague has said just now, that we are keenly looking forward to the outcome of this UN Commission's visit to Iraq. It has been our (stand) that it is only the UN which can lend credibility to the process that we want to take place in Iraq, including the return of sovereignty to the Iraqi people which must be the starting point of both democracy and peace in Iraq, To the extent to which a credible Iraqi administration can take over the roles of the government, the better it would be for the establishment of peace in that troubled part of the world.

Mr. Villepin: Concerning the bilateral question that you have asked, I must say that we had very good and fruitful discussions with my friend and colleague Yashwant Sinha this morning. We are quite hopeful for all the different projects that you have mentioned concerning relationship between France and India.

Mr. Sinha: I will hasten to add that France has not lost out to anyone.

Question: some French businessmen have today morning said that while

India is ready to deal with France, it is not comfortable with EU. Your comments?

Mr. Sinha: No, on the contrary while we continue to deal bilaterally with the sovereign states within the European Union, I can say with a degree of confidence that India is dealing with European Union as an entity also. You are aware of the fact that we have just had our 4th Summit with the European Union. We have the best of relationship with the European Commission in Brussels. We deal with them from time to time. In fact, on February 13 I am having bilateral discussion with my colleague Dominic de Villepin of France, and on the February 16 I am receiving the European Union Troika for discussions here. Therefore, it is not at all correct to say that we have not (learnt to deal with EU. On the economic side we have learnt to deal with EU as an entity when it was the European Economic Community that is from 60s. We have been watching closely the evolution of European Nations into a Union finally. We have very keen interest and this is one of the issues which I think I will be discussing with the French Foreign Minister over lunch since did not get time to discuss it. I will talk to him about the expansion of the European Union, which will have 25 members from the 1st of May, the issues, which have been raised in the European Union. We have very deep interest in this process and India is very comfortable in dealing with European Union.

Question: France has been regularly supporting India for a permanent seat in the Security Council? When exactly is it going to happen? Is there a concrete time frame for this?

Mr. Villepin: We have been supporting this idea of India for a permanent seat in the UN. It should (be done) because it is common sense, (there are) one billion Indian people in the world community; India is the biggest democracy in the world. If you want to ensure more representativity of the Security Council, it should take that into account. I am convinced that the spirit and ability of India is welcome in the Security Council. It is important at this stage to assure that we are going to reform in the good direction at the UN. These two necessities, first one is more representativity, and the second one, the second part of the reform, is more efficiency. That is why we need certainly to make sure that the UN is going to have the necessary tools in order to be more active in international community. We have mentioned certain number of ideas that could help. For example having a real Security Council for economic and social matters, for example having

a disarmament core, for example having a human rights core, for example having an organisation which will specialise on the questions of environment. I think it is important to be able to reflect on all these different issues.

We thought that it will be useful also to have a Security Council in its political formation being in a position to meet every month as a Council of Peace in order to make sure that we can examine and work on all different regional crisis and not just see things go and from time to time see our regional crisis go out of hand. No, we should before be able to work on these difficult issues. As you know the UN Security General has decided a process, he has decided to form a committee, a committee of wise persons who are going to be able to work during the next months and propose some different important project of reforms of the UN.

Question: Mr. Villepin there has been a lot of concern here on the turban ban in France. Don't you think it would play in the hands of the extremists since... (inaudible)

Mr. Villepin: First, I was hoping that someone was going to ask me this question because as you said it is important that everybody understands what is going on in France and why. Are we deciding to have a law on this issue which we call in France as… which is not an easy concept to explain. It is due to our own political history, our own political traditions in the 19th century and the beginning of the 20th century, that we decided, in order to make sure that neutrality, tolerance are displayed, which is the one of a France for human rights and democracy. This has led us to decide how to have a law on the separation between the state and the church and to make sure that in our system religion is not going to interfere. This is a matter not of distrust towards a religion but on the contrary of confidence, of tolerance, of respect. Due to the situation today we thought that it would be useful to have a law in order to make sure that this spirit of tolerance is going to be respected. Of course, as you know the Sikh community in France is very well known and very well respected. There are approximately 5000 Sikhs in France.

The law is not at all aimed at any kind of religion, customs or traditions. The law is aimed at any religious sign in public schools that could create a climate of distrust and ….That is why we decided to forbid all the ostentatious signs in our public schools. As you understand it is only in public schools, so it is very limited, but of course, in an important area. We began a

discussion, a dialogue with the Sikh community during the last month. We received a delegation in our Ministry of Education two times and the Minister of Education, to whom I was talking to before coming here, told me that he was going to meet again with a delegation of the Sikh community in the next days. I am going to meet, in a couple of hours, the Chairman of the Minorities Commission here in India to discuss this matter. Of course, we are going to see the best way to answer these questions and to show the necessary respect that we have for Sikh community but taking into account what are the constraints of our situation in France; we are going to find a way, which will be satisfactory for the Sikh community in France.

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345. Media interaction by External Affairs Minister K. Natwar Singh and Foreign Minister of France Michel Barnier.

New Delhi, October 27, 2004.

Official Spokesperson: Welcome to the press interaction between visiting Foreign Minister of France and the External Affairs Minister of India. I would request first the External Affairs Minister to kindly say a few words.

External Affairs Minister: Friends, it is a pleasure to welcome the distinguished Foreign Minister of France Mr. Michel Barnier. This is his first visit to India.

We had a very extensive and comprehensive[1] exchange of views

1. A day earlier on October 26, the Official Spokesperson Navtej Sarna had told the media that: "India and France share fundamental values such as freedom and democracy. India and France are strategic partners and believe in an effective multi-polar world. France has expressed support for India's candidature for permanent membership of the UN Security Council about which President Chirac has himself stated publicly on several occasions. Foreign Minister Barnier himself made a statement to this effect at the UNGA in New York in September 2004. India and France coordinate extensively in the area of counter-terrorism, through an established institutional Joint Working Group on Counter Terrorism. An Indo – French Extradition Treaty was signed in January 2003 and the process of ratification is underway. France is an important trade and investment partner, with bilateral trade in the range of Euros 2.5 billion. The total French investment approvals in India for the period 1991 to 2002 amount to US $ 1.71 billion, although actual inflows have been only US $ 0.51 billion so far."

both bilateral, regional and international and also issues related to trade and commerce.

India shares a strategic partnership with France, which we deeply value. The many facets of our relationship have strengthened and intensified over the last few years. The exchange of visits helps to sustain the momentum of our relationship.

We have extended an invitation to President Chirac to visit India and we hope he will come here soon.

France and India happily enjoy close understanding on many issues of mutual concern. We both believe in a strong and effective multipolar world, on the basis of commitment to the principles of the United Nations Charter. We deeply appreciate the fact that France has been in the forefront in supporting India's candidature in an expanded United Nations Security Council. We both believe that strengthening the United Nations is essential to meeting the growing challenges that the world faces today.

India and France both agree that international terrorism is one of the serious challenges faced by open, democratic, multi-religious and multi-cultural societies. We have reiterated our determination to continue to work closely together to counter the menace of terrorism.

Our economic relationship is an important dimension of our multifaceted partnership. We both agree that our economic interactions are far below their potential. We would be trying to identify new areas of complementarity where we can work together to carry forward our economic relations. We invite French companies to look at the considerable opportunities that have opened up in the fast growing Indian economy.

Now I invite you Mr. Minister to say a few words.

Foreign Minister of France: Good Afternoon Ladies and Gentlemen. Thank you for coming here and paying attention to my visit here. As you may know I have been Foreign Minister for seven months now and it is my first visit to this part of the world. I would first of all like to thank Foreign Minister Natwar Singh for his very warm and friendly welcome here today. I must say I am delighted to have this opportunity to interact later on today with the Prime Minister, the Defence Minister and other figures from the political, cultural fields and also from the civil society here in your great country.

I am the Foreign Minister of France but I am also a European Minister and as you may know I have served for five years as Commissioner in the European Union. I do feel that our relationship should be established within this broader context of our relationship with EU. That exactly is what would be done early in November during the EU – India Summit and this will undoubtedly give us an opportunity to stress and strengthen the cooperation, and also to focus on strategic cooperation such as the Galileo Project and other areas.

I was delighted Minister, when I heard you call on French businesses to take part and play the full role in helping developing your country. As we know the EU is your main trading partner but France, within this partnership, can achieve progress in terms of exports and investments. That is the reason why we follow greatly and I take great care and attention in noticing the quality and also the number of partnerships that can be established between France and India and between French and Indian businesses. I know also that many large French companies have already expressed their readiness to do so. They are involved in dialogue and are working on developing projects here in terms of transport, energy, construction and military cooperation amongst other things.

I think the relationship between the two countries such as ours is not a purely economic one. There are also people to people contacts and that is very important in my view and (there is) also political dialogue aspect. In that respect I want to confirm here that the choices that were made by France - the choices that were expressed clearly by President Chirac on his visit here in 1998 - India because of its history, its size, the size of its population, its political determination and also its outlook on the world is and will be truly a genuine strategic partner for France.

Today's world has a number of challenges that it must rise to - development, health, and security amongst other things. But today's world is dangerous and unstable one. The world needs more balance and that is exactly what we must work to together in the United Nations. An approach that it would be more respectful of civilizations, cultures and continents across the world. And that is precisely the reason why we in France feel that India has a rightful place at the United Nations Security Council table (which is the) rightful place to discuss these issues, to establish a dialogue on these issues in the UN precisely because the UN is the locum for international debate and international law.

That is exactly what I myself said at the UN General Assembly in September and something that the President stressed once again and stated clearly a few days ago in Hong Kong. But in the meantime, while waiting for the reform of the United Nations Security Council to make it more representative, I think there are outstanding reasons why France and India should establish a dialogue and should go on working together and examining a number of conflicts and sharing positions on these conflicts. That was a case on Iraq. We discussed that this morning. We also discussed another crucial issue, the Israeli-Palestinian conflict.

I must say that I am delighted to see the great commonality of views that India and France enjoy. I think in our own way both our countries have promoted very important principles of democracy, fairness, tolerance, openness – principles that indeed have roots here in India. That is precisely what I meant to say and show when I made sure that my first stop here in Delhi this morning was the Mahatma Gandhi memorial.

Question (Abhisar, NDTV): In the year 2002 there was a court ruling on the controversy over the sale of Mirage jets. The court had observed that $100,000 had exchanged hands at that time. My first question is what are your comments on that entire controversy and secondly where does the deal stand. Is the French government still negotiating with the Indian government on the sale of Mirages?

Answer: I have indeed heard about this issue and I read it in the press this morning. There has indeed been a court ruling. I will not make any comments and I will make even less of a comment because the Indian authorities have clearly stated their position in that respect. There are and have been a number of talks on military cooperation, energy cooperation and transport but I cannot go in the details of what the French businesses and Indian authorities may have discussed in that respect. But there is indeed a global partnership, a comprehensive partnership which includes defence deals and defence cooperation.

Question (French Side): Minister Sir, are there any signs that the Scorpene submarine deal may be confirmed or that you might get positive signs by the end of your visit?

Answer: I think you would have noticed that my visit is only beginning now. I have indeed mentioned this issue with the Minister. I said it was a priority

for us. The talks have been going on for quite some time and there have been commitments and undertakings and I hope we can bring this to a close positively, be it today, tomorrow or a further date.

Question (Ranjit Kumar, *Navbharat Times*): The Sikh community has requested to lift the ban on wearing turbans in schools. What is the French government's stand on this?

Answer: First of all I would like to thank you for putting that question to me because I know that it is a hotly debated issue here and it gives me an opportunity to state our position. Can I make one thing very clear – the turban or wearing the turban has not been banned in France and Sikhs are in a position to practice their faith freely in France. The reason why the Sikh community is in a position to practice their faith freely in France, as can be seen when you walk down the streets in France, is that France is a secular country, a country governed by a set of rules. There are pieces of legislations that do protect and guarantee freedom of faith and freedom of religion.

Against that backdrop of the legislation on secularism that dates back to 1905 there were a number of practical modalities that were defined more recently in a sub-legislation. That applies exclusively to Government and State run schools, not just primary and secondary schools - public schools, government run and government owned schools – and what it provides for is a ban on ostentatious religious symbols. Apart from these specific venues that have a specific place in the mindset of the French public everybody is free to practice his own religion. There have been indeed some difficulties in implementing that legislation or making sure that it was properly applied. Some difficulties arise with the members of the Sikh community but we have a trusting and positive relationship with this religious community. We will go on trying to settle this matter through the dialogue that we already enjoy and we will pursue that.

Official Spokesperson: That is all we have time for. Thank You Excellencies.

(*Mr. Michel Barnier spoke in French. His comments were as translated by the official translator).*

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GERMANY

346. Agreed position adopted by India and Germany on the reform of the United Nations during the visit of the German Foreign Minister Joschka Fischer to New Delhi.

New Delhi, July 14, 2004.

"Germany and India both believe in a strong and effective multilateral system. Both are committed to the effective functioning of the United Nations.

We also agree that the United Nations needs to be reformed if it is to successfully tackle the tasks ahead. The Security Council needs to be reformed. It can only play its role effectively if it becomes more representative for the world of the beginning of the 21st Century. India and Germany are keen to see the reform and enlargement of the Security Council and participating actively in the debate in this connection.

Germany and India agree that enlargement of the Security Council should include permanent membership for countries of the South and industrialized countries, which make a key contribution to the maintenance of international peace and security. Germany and India consider both countries to be natural candidates for a permanent seat on an enlarged Security Council and will support each other in this endeavour."

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347. Media Interaction by External Affairs Minister K. Natwar Singh and German Foreign Minister Joschka Fischer.

New Delhi, July 14, 2004.

Foreign Minister of Germany (Mr. Joschka Fischer): Thank you very much for the opportunity … (inaudible)… We have been here and the … (inaudible)… close and intensive discussions with the new Government of India.

First of all, I said it to the Prime Minister, and my colleague Natwar Singh … (inaudible)… for this very impressive example of democratic election and democratic shift in power. I think this is a very special example not only for the people of India but for the whole world.

We had intensive talks, very fruitful and open discussions with the Prime Minister, and my colleague the Foreign Minister. Of course, we discussed our bilateral relations and we agreed that the economic potential of our relations should be promoted and used in the future. The visit of the Chancellor with business delegations offers us a great opportunity at the meetings of the Joint Business Councils.

We discussed our bilateral issues, multilateral issues. Of course, we agreed that we will cooperate very closely in the reform of the UN system. We think the UN system is crucial for multilateral world in the 21st century but it must be reformed. It must be more representative of the realities in the international system at the beginning of the 21st century. We, Germany and India, consider ourselves to be natural candidates for a permanent seat in the enlarged Security Council and we will support each other in this endeavour.

We will cooperate also in the issues of international affairs. I think India is a very important partner for peace and stability not only in the region but also globally in the Middle East as well as in Afghanistan. We talked about the relations between India and Pakistan because this is not only important for the two countries, it is important for the peace and stability in the whole region and globally.

We talked about our common efforts in the war against terror and terrorism. So, we had a whole variety of issues in our discussions. And

then, we had to interrupt to see the Press. So, we will continue more into the details of discussions.

Thank you very much, once again for the warm welcome.

External Affairs Minister of India (Mr. K. Natwar Singh): Mr. Foreign Minister, I have been an admirer of yours when I was in the Opposition and in Government and at the end of the meeting, I am sure, my admiration will grow further. Our relations are going on smoothly. We had the Festival of India in Germany in 2000. This is your third visit. I have not been to your great country for many years. The loss is mine.

We value our relations with you and European Union and consider Germany to be its most important interlocutor both within the EU and G-8. Our relations go back in the history in many fields. Eighteenth century German thought was greatly influenced by ancient Indian literature. I think it was the first time in Europe that Shakuntala of Kalidas was translated into a European language. This is not a part of my brief, I am just saying it out of …

The focus of today's discussions was how we could transform the legacy of our existing cooperation into a future-oriented partnership. India and Germany are natural partners which share democratic values. We are determined to exploit the vast potential of an intensified bilateral relationship, particular in the economic, cultural, science and technological fields.

We are eagerly looking forward to the visit of Chancellor Schroeder later this year for the annual bilateral summit. I had the great honour of meeting him when he was last in India because with Dr. Manmohan Singh I accompanied Mrs. Sonia Gandhi to meet Chancellor Schroeder.

In our discussions today, as you said, we have reviewed the agenda of Indo-German friendship in the 21st century in the context of our bilateral relationship. We wish to carry these relations further and introduce therein a strategic dimension in conformity with our common perspectives on a variety of regional and global issues. We reviewed the development in our neighbourhood and beyond, including challenges to the international and regional peace and security.

I want to thank you, Mr. Fischer, for being generous enough to work with us together, jointly, for reform of the United Nations Security Council. I

think our joint efforts and some of our other colleagues' who should be in the UN Security Council, I think will make similar difference to this discussion. I think the Charter of the United Nations deserves to be revised and to be made up to date.

United Nations today has 192 members. When it was founded it had only 51. As I told you just now, we were the founder member of the UN because we were a member of the League of Nations even though India was a British colony in those days. Our role in the League of Nations was limited to a certain items concerning Indians living in South Africa, people of Indian origin in South Africa, labour issues, health issues and not beyond that.

In today's world, if the United Nations is bypassed, or if the doctrine of unilateralism takes precedence over multilateralism, then there is something wrong with the international world order. Here we share our views. I once again am very very grateful to you and I consider it a great privilege to get to know so outstanding a person as yourself.

Question : … (inaudible)…

External Affairs Minister of India : I think the international public opinion is now in favour of a drastic reform of the United Nations Charter for the simple reason that it does not reflect the realities of today's world, particularly the Security Council. We know the reasons why the five permanent members were selected after World War II. We also know the fact that the condition placed by the United States' Secretary of State Cordel Hull. He was Roosevelt's Secretary of State from 1932 to 1945. When Roosevelt died on the 12th of April 1945, he continued as President Truman's Secretary of State. The condition was that if the United States did not have veto and if those five did not have the veto, the United States would not join the United Nations.

That was in 1945. We are now in 2004. So, reform is necessary. I think even our American friends realise that. Everybody realises that. When Germany and India work together and when some other aspirants who deserve a place there work together, I think we can achieve this. I know it is not easy to revise the UN Charter. I have served in the UN for five years. There has only been one meaningful review in 1963 when the size of non permanent members was increased. That is 41 years ago. So, we hope to

do this and we hope to do this in a friendly manner, that we are exercising our right that we should be there. We only want it to reflect the reality of what the world looks like today.

Foreign Minister of Germany : I cannot agree more with what my colleague Foreign Minister says. With the cold war and globalisation, there is an urgent need of an effective multilateral system. I think at the top of an effective multilateral system we need an efficient UN system. It must represent the realities at the beginning of the 21st century. We consider ourselves as natural candidates for permanent membership of the Security Council. We will cooperate very closely. The big challenge will be to reach a consensus. We will cooperate very closely in our efforts to reach that consensus.

Question : The question is addressed to both the Foreign Ministers. What is your assessment of the ground situation in Iraq?

Foreign Minister of Germany : We have not had the opportunity in our talks to go into the details of this. Definitely, we will go into the details now during the working lunch. But I have had the opportunity to talk in detail with the Prime Minister before. Our assessment is and was, also with the former Government, quite similar. I think the Resolution 1546 of the Security Council is a very important contribution to move forward hopefully to the better. Transfer of real sovereignty to a legitimate Iraqi Government is crucial. We started it on July 1st and what we can do to improve the situation beyond sending troops, because we would not send troops, is to give this process the strongest possible backing. Debt relief is also an important element to restart the economy. Our business community is ready to move in and contribute. Reconstruction … (inaudible)… is improving. In humanitarian aid we did a lot. So, we are ready to move forward because it must be successful. We hope that the time-table at the end of the year will lead us to free and fair elections and then to a democratically fully legitimised Iraqi Government. So, my impression is that we have no differences in our (German and Indian) assessment or in our readiness to back this process with our resources, that at the end there will be peace and stability and there will be a legitimate and democratic Iraqi authority. This is our interest. I think we share that view. Allow me here to mention one element. Of course, I would be very happy as soon as possible after the summer break and the visit of the Chancellor to see my colleague in Germany and in Berlin because our country and the beautiful city of Berlin has changed tremendously.

External Affairs Minister of India : We have already committed US $ 20 million for humanitarian aid to Iraq. We will be interested in the reconstruction process. The Government has welcomed Resolution 1546. It was unanimously passed in the Security Council. We welcomed the fact that the UK and the USA had abandoned the unilateralism road and taken multilateral road which is the right way to go about it in our opinion. I say this with great respect to both countries because we have very good relations with both USA and UK. As the minister has said, we will carry the discussion on during the lunch.

Question : … (inaudible)…

Foreign Minister of Germany : We believe really not only in free trade, we see also tremendous progress your country has made in the recent years. Of course, the conditions now for foreign investment are improved. On the other side, Government is not doing the investments; I mean investments are done based on the economic calculations to make profits for the companies. This means that when there could be successful investments, I think free market economies and free entrepreneurs will use the opportunities. Whatever we can do to back them, to create a better environment, we should do. We have a common interest. My Ambassador has told me that we are quite impressively represented with our business community here and once again we will have good opportunity in the bilateral Economic Commission Meeting which should be used. I will also underline that visit of the Chancellor is very important. This could really give our economic relations a real boost.

External Affairs Minister of India : I express the same sentiments as the German Foreign Minister.

Question : … (inaudible)… The Line of Control between both parts of Kashmir is serving a good purpose, the purpose of … (inaudible)… both the countries is not a good thing. (about LOC fencing)

Foreign Minister of Germany : We did not discuss this in these discussions. But we understand the sensitivity of the situation. We agree that everything should be done so that there is no terrorism and everything should be done to increase the level of dialogue between the two countries. We have always appreciated that India was interested in the dialogue even in very serious circumstances. We hope that this will lead also to improvement for the people

in Kashmir and improvement in the human rights situation. I think all problems should lead both sides to a substantial and comprehensive dialogue. This is our interest. I think at the moment when the tensions are gone and the relations are based on good neighbourhood, you will see that the tensions or anything else won't be the problem.

External Affairs Minister of India : You must have seen in today's newspapers that we have announced a timetable of three weeks for a series of meetings between India and Pakistan touching all aspects of our relationship. I myself am going to Islamabad on the 19th for the SAARC meeting. Then, in the month of August, the Foreign Minister of Pakistan will be visiting us. So, we are having intense discussions on all matters concerning our relations with Pakistan.

We have had a popular election in Jammu and Kashmir and a popularly elected Government in Jammu and Kashmir. Though we have got a majority of the seats, the Congress decided to give it to the PDP and Mr. Mufti and we are a partner in the coalition government. All problems are being addressed in a democratic way. We will take up the matter of infiltration from our neighbourhood, but we will do so when I meet our Pakistani colleagues. At the moment, the prospects seem good. I do not want to pitch anything too high. Expectations are high. But we are carrying on the Composite Dialogue process. The Shimla Agreement was signed on the 2nd July 1972 and we had peace for 27 years. We are also taking forward the process of the Lahore Declaration, particularly on WMDs and nuclear question, and also the statement issued by both Governments in Islamabad in January this year. So, Shimla and Lahore and Islamabad is one chain. Having been Ambassador to Pakistan myself when most of you were studying in school, I am familiar with the complexities and concerns of this particular matter.

Foreign Minister of Germany : Let me allow to wish you both well.

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348. Media interaction by Prime Minister Dr. Manmohan Singh and German Chancellor Gerhard Schroeder.

New Delhi, October 7, 2004.

Dr. Manmohan Singh: Ladies and Gentlemen, it is for me great pleasure to welcome His Excellency Chancellor Schroeder to India. His visit underlines our mutual interest in building a strategic partnership between Germany and India. We have decided to continue meeting every year[1].

Our relationship is based on shared values and covers a wide area of interests. Germany is the heart of Europe - both geographically and economically. As a key member of an expanding European Union and as a member of the G-8, we value our interactions with Germany.

Germany is one of our most important trading and economic partners. We are grateful for its participation in laying the foundations of our science and technology institutions, some of which have reached global standards of excellence. Cooperation in high technology areas will remain a focus of bilateral cooperation in future.

German products and services enjoy a reputation in India for dependence and reliability. This provides an edge that few other countries enjoy in India.

India is one of the fastest growing economies in the world. Germany can take advantage of the vast opportunities that are opening up in our country. Our two countries' economic interactions are far below potential. We can do more in trade and investments. Though some reinvestment has occurred, we would like more foreign direct investment from Germany. In the field of Information Technology only 1/10th of our global exports go to Germany. This is far below the potential. We have agreed to set a target to double our bilateral trade in the next five years.

The Chancellor and I have had useful discussions on a range of regional and international developments of mutual interest. We reviewed the developments in Afghanistan where Presidential elections are being held later this week.

Our decision to support each other's candidature for permanent membership of the UNSC is proof of our resolve to work together in the

larger interest. India, like Germany, has the will and the capacity to take on the responsibilities of a permanent member of the United Nations Security Council.

I was deeply impressed by the Chancellor's personal commitment to further intensify our bilateral partnership and relations. I have no doubt that the Chancellor's visit will lend added momentum to the growing strategic partnership between our two countries. Thank You.

Mr. Gerhard Schroeder: I can only confirm what the Prime Minister has just said that we see this relationship as a truly strategic relationship and strategic always means a long-term partnership, one that is designed to be a lasting one between India and Germany. We have interests that we share and those that we both wish to pursue and we have also committed ourselves personally to promoting this partnership in every possible sense. I also agree that we certainly have not explored the whole potential of our economic cooperation and certainly there remains quite a lot to be done. Still, we have, I think, been able to lift scientific cooperation with India to a new and higher level. New institutions have been created that is designed to promote and foster this scientific cooperation. Also, the cooperation in the cultural field is one that is working very well but there too more can be done.

I also share the conviction that it is absolutely essential that we do everything in order to promote trade in the next few years to come. We have this objective of doubling our trade volume and we shall do everything that we can to remove any barriers that might stand in the way of such a development. We have, therefore, also agreed to have a very close exchange and a very close contact between our economic advisors.

We have also agreed that more should be done and we will lend our support to give India the opportunity to have enhanced cooperation with the European Union and to strengthen its relationship with the European Union. We have seen that there is a lot of common ground as regards our positions on the WTO and I think that our positions in the negotiations has clearly reflected that position that we have taken. In this context I underline that it is with great respect and admiration that we note the importance of the contribution that India has made to the successful conclusion of the negotiation pact that was concluded in July in the framework of WTO.

On international issues again we do agree on a lot. We share common ground, we share interests. I was able to express the deep respect that we feel for the present Indian government's role particularly the Prime Minister's role in achieving a rapprochement between Pakistan and India and bringing India and Pakistan together and leave the history of conflicts behind them. That after all would be in the interest of not only the two countries involved but certainly in the interest of the whole region, in the interest of Europe and indeed the interest of the whole world. Therefore, the recent talks that took place in New York are certainly talks that we would very much welcome and that we wholeheartedly support.

Question (Amit Baruah, *The Hindu*) : My question is to Chancellor Schroeder. Recently we have seen the G-4 support for the Security Council. I was wondering if Germany would extend support, which you are extending to us on the Security Council, to Indian involvement in G-8 or perhaps even future membership because the Italians have already spoken about it and last year France had invited India as a special case to be present during the Summit?

Answer (Mr. Gerhard Schroeder): I was very gratified to know that we do support one another in the attempts that are currently being made to reform the United Nations system. We have also assured each other of support for a possible candidacy for the Security Council that would obviously work on the basis of such a reform of the United Nations. I think we have absolutely identical interests on this particular issue. We also talked about this issue of India and its relationship with the G-8. I can only say that I will lend my support to any effort that devises a mechanism, which would then make it possible for India to have a closer relationship with the G-8. That is something that is part and parcel of strategic partnership (about which) I spoke earlier on.

Question (German side): Prime Minister, there have been some obstacles for German companies having or increasing business with India. After your talks with the Chancellor, how do you assess these chances, especially for Lufthansa or Aerostar?

Answer (Dr. Manmohan Singh): We had a very good discussion about the progress of India's reform programme and I assured the Chancellor that my government stands committed to carry forward the reform process,

to create in our country an investment environment conducive to larger private investment – both domestic and foreign. So in the months to come we will work together with all like-minded countries and our partners in Germany to remove all the obstacles that come in the way of increased German involvement in investment flows, in technology flows and in promoting a harmonious trading relationship.

Question (Ashok Tuteja, UNI): I just want to ask you that last year Indian IT professionals faced many problems in Germany and now you are talking of increasing trade and economic interaction. Is Germany doing anything to employ more and more Indian IT professionals in Germany?

Answer (Mr. Gerhard Schroeder): Of the 10,000 specialists that we have drawn and attracted to our country, half of them came from India. So, that is quite a significant number and a lot of them have found jobs. As we go on subsequent difficulties that they may have had to find a successive job we are after all a market economy so the government authorities have rather little possibility to influence the matter. If a company for example declares insolvency all the jobs are gone. It is up to the rules of market forces to create jobs. Certainly, there is no guarantee here to be had but what one has to note here is that rules have changed quite a lot as regards to immigration to our country and with the new act on immigration it is possible to come to our country and to work there without finances to be of any hindrance.

I think the situation has significantly improved through this new legislation and that was something that we wanted to achieve. What we wanted was to shape this legislation in such a way that it would at the same time consider humanitarian aspects and economic aspects in the sense that specialists in certain fields are always welcome in our country. Specialists also are…from India because we feel that they lend a very important contribution indeed to German business community becoming more international in its outlook. Also, we feel that it is very important for them to have the necessary skilled labor force and necessary experts to be competitive in world markets. And there are first-rate experts to be had here in India. So I think the possibilities of actually coming over to our country and working there as specialists and experts have been widened quite significantly through this new legislation.

Question (German Side): Mr. Prime Minister I would like to know whether you also talked about the Non-Proliferation Treaty, especially about the prospect that India might sign it one day?

Answer (Dr. Manmohan Singh): We are a nuclear power but we are a responsible nuclear power. We act with restraint. We have a no first – use doctrine in place. Also, we have an impeccable record of export control so that any unauthorized use of this sensitive nuclear material can be effectively prevented and we are interested in working with like-minded countries to strengthen the non-proliferation system. We ourselves are victims of the gaps that exist in the present non-proliferation arrangements. I do not want to talk about it. We have seen, for example, the clandestine export of nuclear material in our regions. So we are also committed to work with like-minded countries to strengthen the non-proliferation regime to prevent unauthorized proliferation. As far as the signing of what you said I do not know whether the circumstances are ripe for us right now to sign that. But we are voluntarily fulfilling all the commitments that go with a responsible nuclear power acting with due restraint.

(Mr. Gerhard Shroeder spoke in German. His comments are translations by the Official Interpreter)

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NORWAY

349. Press briefing by Official Spokesperson on the visit of Norwegian Foreign Minister to India.

New Delhi, July 6, 2004.

Official Spokesperson: Good Evening

For those of you who did not get their brief yesterday, I though I will catch up on the meeting between the External Affairs Minister and the Foreign Minister of Norway. His name is Mr. Jan Peterson. They had a good meeting this morning – an hour long. The discussions continued over a working lunch hosted by External Affairs Minister. The focus of the talks was essentially bilateral but the two Foreign Ministers also took the opportunity to have a comprehensive exchange of views on regional and international issues. Amongst the issues that were touched upon were the recent meetings in ARF, the NATO meeting in Istanbul, Sri Lanka, Afghanistan, Iraq and some other issues. After the talks the two ministers also signed an agreement to set up a Joint Commission between the two countries at the Foreign Ministers level. This structural framework would be used to give a new dynamism to bilateral relations, especially in the commercial and economic sectors. Current trade between India and Norway is modest. US $ 167 million is the two way trade figure. So obviously there is a lot of potential which can be actualized trough setting up structural arrangements and increasing the contacts, both at the official and industry levels.

The Foreign Minister of Norway also met National Security Advisor, Sh. J.N.Dixit. It has been just a one day visit and he leaves tonight.

Question: Was it a delegation level meeting?

Answer: It was a delegation level meeting.

Question: You talk about the regional issue and he met the National Security Advisor. Can we put two and two together – as in Sri Lanka?

Answer: I would not like to judge anything that was discussed or not discussed in the NSA meeting. I do not have a read out from that meeting. It is customary for Foreign Ministers who are coming in to seek several

meeting including meetings with the NSA. Sri Lanka was touched upon in the meeting with the External Affairs Minister – as I mentioned - amongst other regional issues that were discussed. International issues like Afghanistan and Iraq were discussed. There is a pattern of briefing each other and comparing notes on these issues.

Question: Can you share something on Sri Lanka?

Answer: I would not like to give any more details of what we have discussed. Naturally, you know that Norway is involved in the Peace Process and whenever they have had the opportunity they have come and they have briefed us on what is happening and we have had mutually beneficial exchange of views.

Question: The Joint Commission will meet once a year?

Answer: Yes.

Question: Structural arrangement between Dollar and Rupee?

Answer: No, when I say structural arrangement I mean the agreement signed to set up the Joint Commission which will become a structural arrangement for furthering contacts between the two countries.

Question: Now just MOU has been signed …?

Answer: Bilateral agreement has been signed for setting up the Joint Commission. Now what remains to be decided is when the Joint Commission is going to meet and have its first meeting.

Question: It has been set up?

Answer: Yes.

Question: US $ 167million is a two way trade?

Answer: It's a two way trade for the year 2002-03.

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350. Agreement between the Government of the Republic of India and the Government of the Kingdom of Norway Regarding the Establishment of a Joint Commission of Cooperation.

New Delhi, July 6, 2004.

The Government of the Republic of India and the Government of the Kingdom of Norway (hereinafter jointly referred to as the 'Parties' and in the singular as 'Party'),

Guided by a common desire to further strengthen the relations between their two countries;

Determined to explore the possibilities of mutually advantageous cooperation between India and Norway in areas of common interest; and

Recognizing the need for a new and creative phase in Indo-Norwegian partnership.

Have agreed as follows:

Article 1
(Establishment of a Joint Commission)

AN Indo-Norwegian Joint Commission (hereinafter referred to as the "Joint Commission") shall be established to identify and review areas for closer cooperation between India and Norway in the political, economic, commercial, energy, environmental, scientific, technological, educational and cultural fields, and in such other fields as the parties may consider appropriate. The Joint Commission will also make recommendations for the implementation of decisions agreed upon by the parties in the above-mentioned fields. Within its areas of competence the Commission may submit mutually agreed recommendations or proposals to the respective Governments.

Article 2
(Composition of the Joint Commission)

The Joint Commission will be co-chaired by the Minister of External Affairs of India and the Minister of Foreign Affairs of Norway, or their

nominees, with the assistance of experts from the public or private sector as appropriate.

Article 3
(Objectives and Functions)

The tasks of the Commission may include, more specifically:

(a) in the economic and commercial field, reviewing the status of bilateral economic and commercial relations with a view to strengthening them and this could include recommending measures and activities to further stimulate trade and investments between the two countries consistent with their international obligations;

(b) in the scientific and technological field, exploring possibilities of enhanced scientific and technological cooperation, in sectors such as information technology, biotechnology, energy including oil gas and hydro power, non-conventional energy including hydrogen and fuel-cells; space and polar research: environment management including cooperation in relevant technologies, natural resources management including water management and forestry;

(c) in the educational and cultural field, reviewing and recommending programmes, plans and priorities for cooperative efforts to facilitate interchange in the broad fields of education and scholarship, and such areas of cultural endeavour as performing arts, fine arts libraries and museum, sports and mass communications;

(d) the Joint Commission may appoint sub-commissions, committees or ad-hoc working groups to consider specific issues in a targeted way. The Joint Commission will determine the tasks and terms of reference of the working groups.

(e) the Joint Commission will meet annually on agreed dates, or, if agreed, at the request of either party at a place and time to be decide through diplomatic channels. An agenda is to be agreed upon prior to each meeting at least 30 days before the meeting date. Meetings of the Joint Commission are to be held alternately in the respective countries. Ad-hoc meetings of the Joint Commission are also to be held alternately in the respective countries.

Article 4
(Decisions and Procedures)

(a) The decisions, directions and guidelines issued by the Joint Commission will be included as a permanent item, for operational follow-up, as necessary, on the agenda of the regular foreign office consultations that take place separately between India and Norway;

(b) the Joint Commission will determine its working procedures, with due regard to the provisions of this Agreement;

(c) the results and decisions of meetings of the Joint Commission are to be reflected in the minutes, which are to be signed by the Chairmen.

Article 5
(Expenses)

Any administrative expenses related to meetings of the Joint Commission and its ad-hoc working groups will be borne by the country in which the meeting is held. Each Government will bear the expenses of its own participation in meetings of the Joint Commission and its ad-hoc working groups, including travel expenses, boarding and lodging and any other personal expenses of its participants. All procedural and administrative matters that are not provided for herein will be determined by the Joint Commission upon mutual consent of the parties.

Article 6
(Final Clauses)

(a) The Agreement shall enter into force upon signature. It shall continue to be in force, unless either Party terminates the Agreement by giving six months prior notice in writing. The termination of the Agreement shall not affect the completion of any project undertaken in terms of this Agreement prior to its termination unless Parties agree otherwise;

(b) the Agreement may be amended by mutual consent and any difference between the Parties shall be settled through consultation and negotiation;

(c) the Agreement shall not be interpreted to the detriment of other cooperation agreements between the Parties nor any other international obligations of the Parties.

Done at New Delhi on this 6th day of July, 2004, in two originals each

in the Hindi, Norwegian and English languages, all three texts being equally authentic. In the event of a difference of interpretation between the texts, the English text shall prevail.

Sd/-	Sd/-
For the Government of the	For the Government of
Republic of India	the Kingdom of Norway

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PORTUGAL

351. Press release of the Ministry of External Affairs on the occasion of the 30th anniversary of the re-establishment of diplomatic relations between India and Portugal.

New Delhi, December 31, 2004.

On the occasion of the 30th Anniversary of the Re-establishment of Diplomatic Relations between India and Portugal on 31st December 2004, letters of felicitation were exchanged between India and Portugal. Rashtrapatiji and Portuguese President, Dr. Jorge Sampaio exchanged messages of felicitations expressing satisfaction over the close and friendly relations between the two countries and reiterating their commitment to working together to further enhancing ties. External Affairs Minister and his Portuguese counterpart, Mr. Antonio Victor Martins Monteiro also exchanged letters of felicitations expressing a mutual desire to developing even closer links at all levels and especially in the economic and commercial areas.

Indo-Portuguese relations have come a long way since the signing of the Bilateral Treaty for Re-establishment of Diplomatic Relations on 31st December 1974. Relations have strengthened, matured and diversified over the years. Economic, commercial, scientific and cultural interactions have imparted depth to bilateral relations. The first India-EU Summit was held at Lisbon in 2000, during Portugal's Presidency. Portugal as a member of the European Union has played an important role in the EU dialogue with India. Both countries are committed to working together towards world peace and stability.

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ROMANIA

352. Speech by President Dr. A. P. J. Abdul Kalam at a banquet in honour of the Romanian President Ion Iliescu.

New Delhi, January 31, 2004.

Your Excellency Mr. Ion Iliescu,
President of Romania,
Excellencies,
Distinguished Guests,

Ladies and Gentlemen,

It gives me great pleasure to extend a very warm welcome to you, Mr. President, on your State visit to India. Your presence amongst us is a reaffirmation of the strong bonds of friendship that link our countries and our people together.

Contacts between our countries and civilizations can be traced back many centuries. The Carpathian Mountains and the Danube River have shaped Romania over the millennia, just as the Himalayas and the Ganges have contributed form and substance to India. Both Romania and India can take pride in having evolved as culturally diverse and heterogeneous societies, where ethnic and linguistic groups live together in harmony and peace. Our interaction over the years has led to a symbiotic relationship that has brought cultural vitality to both our traditions.

I was very happy to note that the study of Indology in Romania has resurfaced strongly after 1989. An increasing number of books on Indian topics are now being published in Romanian in diverse fields, ranging from Sanskrit to travel. The recent upsurge of interest amongst Romanians in Indian literature, dance, music and philosophy and in Indian cinema on Romanian television, confirm the strong roots and vitality of our multifaceted ties.

Cooperation between us has in the past covered projects in India in fields such as petroleum, petrochemicals, power and metallurgy, including the setting up of the oil refinery at Guwahati, the thermal power plant at Singareni, the Mangalore pelletizing plant and the Hyderabad tractor plant. In turn, significant Indian origin investments have recently come to Romania

in sectors as diverse as steel, textiles, packaging and tourism. Moreover, India-Romania trade, which declined in the early 1990's, is again on the upswing. We are conscious that considerable untapped opportunities remain and it is heartening that both our countries are seriously working at exploiting this potential for further growth. We would like to see at least a five-fold increase in our bilateral trade by the year 2005.

It was with this objective that India and Romania have identified the sectors of information technology, pharmaceuticals, energy, power and heavy engineering, for a special focus while strengthening our bilateral trade and economic ties. Our efforts should be to explore the possibility of setting up joint ventures especially in the fields of heavy engineering and the banking sectors. These are fields in which our countries possess world-class expertise and we are ready to share this with each other. The last India-Romania Joint Commission and Business Council meetings held in New Delhi during October 2003 addressed important commercial and investment aspects of our bilateral relationship. It is good that concrete proposals are being processed for implementation by government agencies as well as by the trade and industries of both countries.

On the political front, we welcome Romania joining the European Union in 2007. With it, India would have yet another good friend within the E.U. Now that membership of the European Union is on the horizon, Romania offers even more attractive trade and investment opportunities for Indian business.

India and Romania have a tradition of supporting each other on multilateral issues and working in tandem at the United Nations. Our cooperation at the United Nations provides us with an opportunity to share perceptions on issues of importance to both our countries. India is happy to welcome Romania as a member of the UN Security Council for a two-year term that commenced on January 1,2004. Recent events have reinforced the urgent need for restructuring the UN Security Council so that it can help in reducing tensions. India is a country of one billion people and we feel that for the peace movement to gather momentum, it is very necessary to get a voice in the restructured UN Security Council. We look forward to working closely with Romania at various international fora with a view to ensuring that cooperation and consultation rather than confrontation characterises interaction between States.

Excellency, we know you as a political leader of courage and conviction and a passionate explorer of current issues, ranging from the concept of sustainable development to the debate on globalisation. Your personal commitment to the tackling of economic disparities and social injustices is impressive. We are convinced that your visit to India will further strengthen our bilateral partnership and lend a greater dynamism to our multifaceted ties. We welcome you as a dear friend representing a great and talented people and hope that you will find your stay in India to be useful, pleasant and enjoyable.

Ladies and gentlemen, I now invite you to join me in raising a toast to:

- the personal good health and happiness of His Excellency President Ion Iliescu;

- the progress and prosperity of the friendly people of Romania; and

- the further consolidation of friendship between India and Romania.

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353. Joint statement issued on the occasion of the visit of the Romanian President Ion Iliescu to India.

New Delhi, January 31, 2004.

At the invitation of the President of the Republic of India, H.E. Dr. A. P. J. Abdul Kalam, H.E. Mr. Ion Iliescu, the President of Romania, paid a State Visit to the Republic of India from 29 January - 01 February 2004.

During the visit, H.E. Mr. Ion Iliescu met with the President of the Republic of India, H.E. Dr. A. P. J. Abdul Kalam. He also had meetings with the Prime Minister Mr. Atal Bihari Vajpayee and the Minister of External Affairs, Mr. Yashwant Sinha. President Iliescu also visited Mumbai, Bangalore and Agra. In Mumbai and Bangalore, President Iliescu had meetings with heads of the business and industry sectors, in particular CII (Confederation of Indian Industry), FICCI (Federation of Indian Chambers of Commerce and Industry), INFOSYS and IIS (Indian Institute of Science).

The Presidents of the Republic of India and Romania held extensive

talks in an atmosphere of friendship and understanding during which they covered the entire range of bilateral relations as well as a detailed exchange of views on regional and international issues of mutual interest. Both Parties noted the high level of interaction and cooperation between Romania and India at the U.N. and other multilateral fora and expressed their intention to further cooperate in this field. Special mention was made of Romania's current mandate (2004-2005) in the United Nations Security Council and of the understanding between the two countries to work closely together at the United Nations.

The Parties expressed their satisfaction over the progress of Indo-Romanian relationship in several spheres and welcomed the intensity of high-level bilateral visits. In this connection, the Parties agreed to keep up the momentum of exchanging high-level political visits in the future.

The Parties attached special significance to the holding of meetings at the highest level and the development of the cooperation between various Ministries, local authorities and institutions, as well as private entities of the Republic of India and Romania.

The Parties noted the importance of their Inter-Parliamentary cooperation, and called for the intensification of the bilateral parliamentary exchanges.

The Parties, after taking into account the great potential of the bilateral ties, considered ways for deepening the mutually beneficial cooperation in areas of common interest and reiterated the need to expand trade, economic, scientific and technical cooperation.

Taking into account the potential and the requirements of the economies of both countries, as well as the opportunities they offer, both Parties decided to promote an extended economic partnership and identified the following fields for establishing sectoral priorities: Information Technology, Energy, including Oil and Natural Gas, Power Generation, Transmission and Distribution, Engineering and Pharmaceuticals.

In the field of Information Technology both Parties expressed satisfaction that a Memorandum of Understanding was signed in October 2002 and a Joint Working Group had been established. They agreed that the Joint Working Group meeting should be held at the earliest to find ways and means to exploit opportunities in both countries.

The Parties noted that the cooperation in the Oil and Gas sphere in areas of research, engineering, marketing and environmental issues would further enhance long-term mutual relationship and joint economic projects.

The Parties stressed the importance of setting the legal framework of cooperation in the field of Oil and Gas, by accelerating the consultations between the Ministry of Economy and Commerce of Romania and the Ministry of Petroleum and Natural Gas of India.

In the field of Heavy Engineering, both Parties expressed their readiness to cooperate particularly in the fields of machine tools, automobile components, textile machinery, metallurgical and oil equipments and power equipment. The Parties noted that there are opportunities of cooperation and joint venture investments between the two countries in this important sphere.

Concerning the Pharmaceutical industry, the parties noted that the Indian proficiency in this field could be used to their mutual advantage. The Parties underlined that there is an immense potential for cooperation in the sectors related to pharmaceutical education and research, joint ventures, training and manufacture. The Romanian Side expressed a particular interest in Indian pharmaceutical companies establishing manufacturing bases in Romania.

In this context, the Parties reiterated the importance of the Indo-Romanian Joint Commission and the Indo-Romanian Joint Business Council for the development of bilateral ties.

The Parties discussed the opportunities for bilateral investments and took note of the need to enhance the potential for such cooperation. They also noted that the business and scientific circles of both countries should establish direct contacts for the implementation of industrial, scientific and technical projects with the participation of Romanian and Indian businessmen. The Parties underlined their mutual aspiration for strengthening contacts in the fields of culture, education and training.

The Agreement on Visa Free Regime for Diplomatic Passports Holders signed during the visit is an indication of the excellent relations that both countries share.

The Agreement between India and Romania on Cooperation in Plant

Protection and Phytosanitary Quarantine field, signed during the visit, is important, as it will consolidate the links in the sphere of Agriculture, Forests and Environment.

The Memorandum of Understanding between the Romanian Television and Doordarshan and the Memorandum of Understanding between the Romanian Broadcasting Corporation and All India Radio will enhance the bilateral cooperation in the field of mass-media, by mutual exchanges of the rich cultural heritage of the two countries, thus contributing to further deepening of the interaction between the two peoples and strengthening of the democratic values that both countries share.

The Parties also expressed satisfaction at the initiation of negotiations on the Double Taxation Avoidance Agreement and expressed readiness to sign this important Agreement in the near future.

The Parties expressed their commitment to support the contacts in the educational field, by promoting interactive sessions with the participation of Romanian and Indian professors and students, aimed at launching common projects in IT, Pharmaceuticals, Energy, Oil and Gas.

The Parties reaffirmed the need to uphold the principles of International Law and the provisions of the UN Charter in regard to international relations. They noted the importance of political and diplomatic ways of settling international conflicts.

The Parties condemned the growth of terrorism and religious extremism, which threatens international peace and security. They reiterated that terrorism cannot be justified on any grounds, whether political, ethnic, religious, or others. They agreed that every State has the duty to refrain from organizing, instigating, assisting or participating in terrorist acts in another State or acquiescing in organized activities within its territory directed towards the commission of such acts, and further agreed that all States must refrain from providing any form of support, active or passive, to entities or persons involved in terrorist acts. In this regard, both Sides stressed the importance of the effective implementation of Security Council Resolution 1373.

In the context of India-Pakistan relations, Romania welcomes the recent events that have reshaped the overall relation between India and

Pakistan and created the ground for a bilateral dialogue, which will help in regional and global stability.

The Republic of India considers Romania as a friendly state pursuing a balanced and independent foreign policy. The Indian Side confirms and honours the path of development chosen by the people of Romania and supports the efforts of Romania to integrate into the European Union.

India recognizes Romania's important role in providing security and stability in its area and welcomes the up - coming Presidency of Romania of the South Eastern European Cooperation Process.

India also appreciates Romania's contribution to regional stability in the Black Sea and Greater Middle East areas, as well as her contributions to the efforts by the international community to fight terrorism, organized crime, illegal trafficking, and illegal immigration.

India considers that Romania has a very important role in strengthening the stability and security in her European area, and is also a bridge of productive, open and friendly cooperation between India and Central and Western Europe.

Underlining the importance of expanding the United Nations Security Council in order to make it more representative and to increase its effectiveness, in the context of the overall reform of the United Nations, and taking into consideration the reputation that India, home of one sixth of humanity, has achieved within the international community and the growing political and economic role India plays in the international fora, Romania regards India as a natural contender for United Nations Security Council Permanent Membership.

Romania also considers India an important player at the regional level. India has assumed a very important role in dealing with regional issues, by supporting a growing cooperation between the SAARC member states, aimed at eradicating the poverty and improving the standard of living of the peoples of the South Asian countries.

The President of Romania, H.E. Mr. Ion Iliescu extended an invitation to the President of the Republic of India, H.E. Dr. Abdul Kalam to pay a State Visit to Romania. The invitation was accepted with pleasure. The dates for the visit will be established through diplomatic channels.

The President of Romania expressed his gratitude to the President and the Government of the Republic of India for the hospitality and the excellent organization of the Romanian delegation's visit to India.

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RUSSIA

354. Joint statement issued at the end of the second meeting of the India-Russia Joint Working Group on Combating International Terrorism.

New Delhi, April 8, 2004.

The second meeting of the India-Russia Joint Working Group on Combating International Terrorism was held on 8th April, 2004 in New Delhi. The Indian delegation was led by Mrs. Meera Shankar, Additional Secretary (International Security) in the Ministry of External Affairs, while the Russian side was led by H.E. Mr. Anatoly E. Safonov, Deputy Foreign Minister of the Russian Federation. Both delegations included an interagency group of counter-terrorism and law enforcement officials.

2. The two sides recalled that the India-Russia Joint Working Group on Combating international terrorism was established following the MOU signed during the visit of the President of the Russian Federation to India in December, 2002 and constitutes an important element of the strategic partnership between the two countries. They unequivocally condemned all acts, methods and practices of terrorism as criminal and unjustifiable and reiterated their determination to further strengthen their cooperation in combating it.

3. The two sides shared their assessment of law enforcement, legislative, financial and other measures taken against terrorists and their networks since the last meeting in September 2003. International and regional developments were reviewed. The Indian side provided an assessment of terrorism challenges in the South Asian region, including cross-border terrorism affecting India while the Russian side gave their perspective on terrorism challenges confronting Russia.

4. The two sides also reviewed multilateral efforts to counter terrorism and agreed that the institutional mechanisms set up by the UN Security Council in this regard should be further strengthened and made more effective. They shared their assessment of progress on various multilateral initiatives under consideration with specific emphasis on India's initiative for a Comprehensive Convention on International Terrorism and the Russian initiative for a Convention on Suppression of Nuclear Terrorism. The two sides exchanged views on new challenges including the threat of proliferation of WMDs to terrorist organisations. They also discussed linkages between trafficking in narcotics and the financing of terrorism. Both sides agreed that continued cultivation of opium poppy and trafficking in narcotics poses a serious threat to security, political stability and economic development in many regions.

5. The Joint Working Group attached special importance to strengthening bilateral mechanisms. The two delegations agreed to deepen their counter-terrorism cooperation, in particular through:-

- Exchange of information and sharing of experience in their fight against international terrorism;

- Strengthening cooperation in curbing trafficking in Narcotics;

- Continuing cooperation to address the threat of terrorist financing;

- Extending support for the full and effective implementation of UN Security Council Resolution 1373 and the work of the Security Council's Counter Terrorism Committee;

- Continuing consultations on the Comprehensive Convention on Terrorism and the Convention against Acts of Nuclear Terrorism with a view to their finalisation.

6. The two sides agreed to hold next session of the India-Russia Joint Working Group on combating international terrorism in Moscow by the end of the year 2004.

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355. Statement by the Official Spokesperson on the terorist attack in the Russian Republic of Ingushetia.

New Delhi, June 23, 2004.

We have received with greatest shock the news of the act of terror in Russia on June 21, 2004. We condemn it in the strongest possible terms. The immense loss of innocent lives is once again a reminder to the world that terror needs to be tackled through collective international efforts regardless of its roots and causes.

We would like to convey our deepest sympathy to the Government of the Russian Federation and to the people in their hour of grief. We also convey our condolences to the families of those killed and wishes for the recovery of those injured.

I may add that the Foreign Secretary is presently in Moscow for the second meeting of the Indo-Russian Joint Working Group on global challenges, in the framework of which issues such as combating international terrorism are also covered.

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356. Press release of the Ministry of External Affairs on the Presidential elections in Chechnya.

New Delhi, August 31, 2004.

India has followed with interest the Presidential elections held on August 29, 2004 in the Republic of Chechnya in the Russian Federation. It is unfortunate that the tragic assassination of former President Mr. Akhmad Kadyrov on May 9, 2004 had necessitated these early Presidential elections.

The large voter turnout in the elections has confirmed once again the commitment of the people of Chechnya to the democratic process and its principles. India supports the measures taken by the Russian Federation in Chechnya for combating the threats and acts of terrorism. India would also like to congratulate Mr. Alu Alkhanov on his victory in the Presidential elections.

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357. Statement of the Government of India condemning the terrorist attack in Moscow.

New Delhi, September 1, 2004.

We have learnt with a deep sense of shock the news about a terrorist attack in Moscow on the night of August 31, 2004. The Government of India condemns this act of terror which has resulted in the loss of 10 innocent lives and injuries to over 50 people. We would like to convey our condolences to the bereaved families, and our good wishes for the recovery of those injured in this act of terrorism.

We have also seen reports of another act of terrorism in which a large number of innocent people, including children, have been taken hostage in southern Russia. It is our hope that these innocent hostages would be freed soon without any harm.

The Government and the people of India stand firmly with the Government and the people of the Russian Federation in the fight against terrorism. These recent acts of terror are yet another reminder to the world that joint efforts at a global level are necessary to combat the menace of international terrorism.

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358. Letter by Prime Minister Manmohan Singh to the President of the Russian Federation on the appalling attack on school children in North Ossetia.

New Delhi, September 3, 2004.

Excellency,

I have learnt with relief that the appalling action of terrorists holding school children hostage in North Ossetia has been brought to an end.

It is most unfortunate that some of the defenseless hostages, including children, have been killed, and others injured. Through Your Excellency, I would like to convey the sympathy of the people of India for the families of the victims of this tragedy. I would also like to convey good wishes for the speedy recovery of the injured.

Russian Forces were compelled to act in very difficult circumstances, and we commend them for their measured response.

Please accept, Excellency, the assurances of my highest consideration.

Sd/-
(Manmohan Singh)

His Excellency
Mr. Vladimir V. Putin
President of the Russian Federation
Moscow

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359. Statement by Official Spokesperson expressing solidarity with the Government and people of Russia for terrorist attack in Beslan and Ossetia.

New Delhi, September 10, 2004.

- Government of India is supplying medicines and medical supplies worth USD 50,000/- to the victims of the tragedy in Beslan, North Ossetia, Russia.

- Government of India has expressed solidarity and sympathy with the Government and people of Russia on every unfortunate terrorist incident in Russia in the recent weeks. President and Prime Minister had written letters to President Putin conveying our deepest condolences on the Beslan tragedy. Prime Minister had also spoken to President Putin on telephone.

- External Affairs Minister had signed the condolence book kept at the Russian Embassy in New Delhi on September 6, 2004.

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360. Press briefing by Official Spokesperson on the 10th session of India – Russian Federation Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation.

New Delhi, November 18, 2004.

Official Spokesperson: Good Evening. I thought I would give you a brief idea of what the discussions were this morning between the delegations led by Deputy Prime Minister of the Russian Federation Mr. Alexander Zhukov and the External Affairs Minister Shri Natwar Singh. As you know, Mr. Zhukov has had one round of discussions today with External Affairs Minister. This evening he is meeting the Finance Minister and the Commerce Minister.

Tomorrow, there is the concluding session of the Foreign Minister level talks and the signing of the Protocol of the tenth session of the Joint Commission or as it is called the Inter-Governmental Commission on Trade,

Economic, Scientific, Technological and Cultural Cooperation. There will be a joint press interaction thereafter.

The Joint Commission between the two countries covers a very wide range of issues and these were addressed in the morning session. These meetings have been regularly held and it was pointed out that this itself is a tribute to the strength and vitality of the bilateral relations. Earlier this morning the meeting of the Joint Business Council between the two countries was also held. The Joint Commission has a representation of trade and industry also. The Russian delegation has about 69 people which includes a lot of businessmen. This is a practical dimension to the deliberations and decisions being taken at the Joint Commission.

External Affairs Minister pointed out in these discussions that this Joint Commission was set up in 1993 and that was a time of economic transition both for India as well as for the Russian Federation. There were a specific set of needs and a particular orientation at that stage. Since then major changes have taken place. The two economies have expanded and there is a new dynamism in the two economies. We have multiplicity of levels of contact between the two countries. So, there was a discussion on possible rationalization of the structure of the Joint Commission and the Working Groups so that they can more correctly reflect the practical needs of the two economies today. How that happens, I will wait for tomorrow's session and we will see what is finally decided and comes out in the concluding document.

Trade and economic relations were a major concern and a major area that needed to be discussed and pursued. Bilateral trade with Russia is about $ 1.67 billion (2003 figures). Relatively speaking it is a modest figure and does not reflect fully the potential that exists in the bilateral economic relationship of the two countries. There is, therefore, a commitment from both sides to expand this figure. The areas that India would like to focus on are: textiles, tea, tobacco, consumer goods, Information Technology and automobile exports. Particular emphasis was also laid on the development of closer contacts between the banking sectors of both countries. State Bank of India and Canara Bank, I understand, have already set up offices in Moscow. Other banks also need to be encouraged. In turn it was pointed out that Russian banks should also consider presence in India. This would be welcome.

Investments are another area of priority. As you know, ONGC Videsh has already taken a 20% stake in Sakhalin-I oilfield. Energy is a major area of interest. This is a direction in which we would like to move further. India's energy requirements are increasing and are expected to continue to increase. So, this is a major area of interest for us.

Another area of mutual interest is possibilities of trade in the diamond industry. Russia is a major producer of diamonds in the world and India is one of the largest consumers. Obviously, direct trade stands to benefit both sides.

It was also pointed out that there is a certain similarity in the nature of economic reforms taking place in both countries - in the pace and the direction of the reforms, in the fact that more or less we have the same amount of foreign exchange reserves now. This should give a good basis for a closer cooperation in the trade and economic relations.

I may also mention that that one of the issues that was taken up with the Russian side was the necessity to provide quicker visas for businessmen. That is something which will facilitate and help trade. Some of the areas of interest pointed out by the Russian side for cooperation and investment etc include Metro, not Delhi but other cities, inland waterways, roads, energy, construction projects. They are also interested in the development of the North-South corridor which will increase access of Indian goods to the Russian market.

So, it was a very wide-ranging discussion that carried on for about 20-25 minutes in restricted format followed by more than an hour at the delegation level and then followed by a working lunch. This will be followed by a concluding session tomorrow and a joint press interaction. I thought I would give you today this much of a flavour of the discussions which are still continuing.

Question: Which Metro Projects is the Russian side interested in – Delhi Metro?

Answer: I think this is one of the areas of interest for Russia. Delhi Metro has already been contracted out. They felt that if there are other projects in other cities then this is an area of interest.

Question: Any reference by us to increase nuclear energy cooperation after Koodankulam?

Answer: There is no specific reference from what I see, but yes, energy was pointed out as an area of interest and out of that one of the aspects which always comes up for discussion is the need for clean energy and hence nuclear energy.

Question: nothing specific…

Answer: Well, clean energy was mentioned and the necessity to continue our cooperation but nothing related to that particular project in today's session.

Question: As you said bilateral trade between India and Russia does not reflect the potential that exists and that efforts are being made in several sectors like energy, diamonds etc. Is there any projection from the Indian side as to how much increase could be there in 2-3 years when these efforts yield dividend?

Answer: I think it is not very useful if one side makes projections. So, we have to wait, we have to sensitize each other. These are the kind of things which appear when both countries have decided that we will aim to get our trade to such and such figure by the year such and such.

Question: Like in case of ASEAN and China we have some projections…

Answer: These are not unilateral projections. Unilateral projections will not be of much utility. Certainly the intention is quite clear from the statement of both sides, not only now but if you look back at the Joint Statement issued after President Putin's visit, Prime Minister Vajpayee's visit to Moscow, that this a thing that we have to move forward and we have to increase. We have to bring up trade and economic relations figures up to a level which is commensurate with the political and strategic importance of the relationship.

Question: What are the problem areas in trade?

Answer: Both economies have gone through major transitions. Not only that, we have gone through a completely changed system of interaction with Russia vis-a-vis the Soviet Union with which we had the Rupee-Rouble trade. Then we had to move into a market economy situation. Naturally, there are problems on that. There are information gaps relating to each other's industry. There is not enough cooperation between the two sides in the infrastructure that is required for trade that includes banking, insurance and so on.

Question: So that means that we have to move to Dollar/Euro trade.

Answer: It is already moving into hard currency in several areas. Rupee-Rouble trade is coming down. We will soon move into full hard currency trade.

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361. Press conference by External Affairs Minister K. Natwar Singh and Russian Deputy Prime Minister Alexander Zhukov.

New Delhi, November 19, 2004.

External Affairs Minister (Shri Natwar Singh) : Thank you gentlemen. It is my pleasure and privilege to welcome and to introduce to you the Deputy Prime Minister of Russia, His Excellency Mr. Alexander Zhukov.

We had useful exchange of views for the last two days. Prior to our Joint Commission meeting, groups of experts in different fields like trade, energy, information technology, science and technology, power, coal, culture, etc., have been meeting in Delhi since 15th November. The Joint Business Council of the two countries had also met in New Delhi. I am glad that a large delegation of nearly 70 experts and businessman has accompanied His Excellency the Deputy Prime Minister.

We hope that the trade volume of USD 1.67 billion in 2003 - of which USD 708 million were Indian exports and USD 959 million were Russian exports - receives a major boost. Some new developments in our economic relations are due to take place as a result of our discussions in the last two days.

1. The first Indo-Russian Round Table on Information Technology will be held in Bangalore on 1st and 2nd of December 2005. Fifteen major Russian IT companies will participate.

2. The first Indo-Russian Energy Meet will be held in Delhi on 15th January 2005.

3. We expect the Canara Bank and the State Bank of India to sign an

agreement shortly with two Russian banks to facilitate trade and mutual bank guarantees.

4. We also expect that business travel and tourism both ways will also receive a boost through easier visa facilities. An agreement is in the final stages of discussion between the two Governments.

Finally, I just want to say that it has been a great pleasure and honour to have discussions with the Deputy Prime Minister Alexander Zhukov and his delegation. This only emphasizes that relations between Russia and India are extremely close and cordial and warm. This visit and the visit next month of President of the Russian Federation Mr. Putin will further enhance, strengthen, widen and deepen our relations.

Russian Deputy Prime Minister (Mr. Alexander Zhukov): Esteemed Mr. Minister, Ladies and Gentlemen:

The session of the Inter-Governmental Commission that has just concluded once again confirms that the relations between Russia and India are developing in a constructive manner which is traditional to the relations between our countries.

I am extremely satisfied with the outcome of the meetings and discussions that I had during this visit. This outcome has been reflected in the protocol that I have just signed with the Hon'ble Minister. I believe that the outcome of these discussions will provide new impetus for developing the relations between our countries in various fields. I believe that the work that has been done during the session of the Joint Commission as well as the work done by the Working Groups allows us to substantiate the forthcoming visit of President Putin which is due in early December this year.

The forthcoming visit of our President will see not only signing of an agreement in the field of banking, which the Hon'ble External Affairs Minister has just mentioned, but also other agreements in such fields of cooperation as joint space research, and developing our cooperation in the field of communications as well as some other fields.

I would like to specifically note the constructive approach of the Indian side towards resolving the remaining outstanding issues that relate to Russia's joining the WTO. I may say that we have agreed to finalise this

process and to sign the appropriate documents during the forthcoming visit of our President. I am specifically thankful to the Hon'ble Minister for his personal support on this issue and for being able to find ways to resolve the complicated issues relating to India's positive position and support of the process of Russia's joining the WTO.

I would like to also note the growing activity and growing interest of the representatives of the Indian business community towards cooperating with Russia in the field of investment and also the growing interest of Russian entrepreneurs for various aspects of cooperation in such priority sectors of Indian industry like power, metallurgy, road construction, railway construction and, of course, towards cooperating in the high technology field. I am confident that given the close cooperation between the business communities of our two countries, and given the support of the Governments of Russia and India, we will be able to accomplish the task that has been mentioned by the Hon'ble Minister that is to seriously increase the volumes of trade between the two countries in the near future.

Thank you very much for your attention.

Question (Itar Tass): I have two questions. (1) Has there been any arrangement, any agreement reached on the recognition of the market status of the Russian economy? (2) On what conditions has the issue been solved of Russia's joining the WTO?

Russian Deputy Prime Minister : On the first question I would like to respond that we have held active consultations with the Indian side. The Indian side has taken several steps aimed at providing Russia with a market economy status. But we believe that this issue has not been finally resolved because the amendments that have been introduced in the Indian laws may still allow precedence in the course of the anti-dumping investigations for considering Russia a non-market economy. So, these investigations can still be developing on a non-market scenario. We would like to say that Russian economy's status as a market economy has been recognized by the United States, the European Union and China unconditionally. We hope to be able to have India also recognize the market status of the Russian economy unconditionally. I believe that our experts will still continue their work in this direction during the time which remains before President Putin's visit to India. We hope to finalise the agreement by that time.

Regarding Russia's joining the WTO, I would like to say that we have done a huge amount of work both in Geneva and here in New Delhi and we have been able to resolve all the outstanding issues in this regard.

Question (Mr. Amit Baruah, *The Hindu*): My question is addressed to the Russian Deputy Prime Minister.

Our Petroleum Minister was in Moscow and he spoke of Russia guaranteeing India's energy security. I understand there are some energy agreements which are in the pipeline. But, just as in the case of Defence Russia gave priority to India over other countries as far as its relationship was concerned, in the field of energy – especially oil exploration and the related field of nuclear energy – would Russia give special status to India in its relationship? As India's energy requirement grows, would Russia make special efforts to ensure that India got special treatment in its energy requirement from Russia?

Russian Deputy Prime Minister : I would like to say that Russia is ready to develop cooperation with India in the field of energy. It is ready to develop its cooperation in different ways. Particularly, Russia is ready to participate in construction of thermal power plants as well as it is ready to expand cooperation in the filed of nuclear power and to find possible ways of expanding our cooperation in this field. Also, a number of Russian companies are studying projects of transportation of energy sources to India and I believe that these projects can be realized. I believe that given the fast growing pace of the Indian economy and the growth prospects that exist for further development of India's economy, there are really good prospects for developing our cooperation with India. The Government of the Russian Federation will actually promote this cooperation in any way.

Question (Russian Media): The question is addressed to the Russian Deputy Prime Minister, Mr. Zhukov. As I am aware, the Russian delegation was comprised of representatives of major Russian companies and banks. I would like to ask about any concrete proposals and concrete projects that have been considered from both Russian and the Indian side during this visit.

Russian Deputy Prime Minister : I would like to request the questions to be addressed to the Hon'ble Minister as well because, in the course of our discussions we have touched upon many issues that have been reflected

in the protocol that we have just signed. So, I believe that the Hon'ble Minister can give his additional comments to the issues that have been reflected in this protocol.

External Affairs Minister : Yes, indeed. If you read the protocol, it is a lengthy document, there are specific areas in which we have agreed that we would take this forward. May I also say that we look to further intensify trade and commercial relations. I say that in the nuclear power sector, building shipyards, road construction, railway construction, we could have infrastructure projects amounting between USD 15 to 30 billion in the next five to ten years. There is a tremendous scope for us to enlarge our trading areas. In the new areas, apart from the traditional areas like pharmaceuticals, tea, coffee, rice, leather, leather goods, food products, fabrics and cotton, we are now concentrating and identifying areas. Energy, IT, banking, communication, biotechnology, these are the new areas apart from the traditional areas that we will be having. I am certain that this will get further impetus when the President of Russian Federation is here next month. India has declared 2004-05 as the focus year for the Commonwealth of Independent States. As a part of it, the Ministry of Commerce is sponsoring business delegations and exhibitions to Russia. The Deputy Prime Minister has also had very extensive discussions with the Finance Minister and the Commerce Minister. Nuclear power plants is another area which… With regard to WTO, we will do our best to have an agreement with our Russian friends. We will do whatever we can. But I cannot guarantee that this will be done before the visit of Mr. Putin. But we will do what all we can do.

Question (Mr. Mohan Narayanan, Press Trust of India): My question is addressed to the Russian Deputy Prime Minister. Indian businessmen have been facing a lot of difficulties getting visa for Russia. There have been complaints about inordinate delays. Is the proposed agreement that is going to be signed going to end this problem?

External Affairs Minister : With the permission of the Deputy Prime Minister I will inform you that we are in the final stages of working out a new visa regime for businessmen, students and other categories of travelers. We hope that this makes travel easier and whatever hiccups there were in the past will no longer be coming in the way of easier travel to Russia.

Russian Deputy Prime Minister: I would like to confirm and add to the

words of the Hon'ble Minister. We have discussed this issue in great detail. I hope that the corresponding agreement will be signed during the forthcoming visit of our President to India. I believe that the new visa regime that we are going to establish will be similar to what Russia already has with European countries like France, Germany and Italy. It is a simplified visa regime that provides for simplified scheme of granting visas to teachers, businessmen and students. This regime will allow removing the barriers on giving visas and will make the procedure very short in time.

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362. Summary of decisions taken at the 10th session of the Indo-Russian Inter-Governmental Commission on Trade, Economic, Scientific, Technological and Cultural Cooperation.

New Delhi, November 19, 2004.

The 10th session of the Indo-Russian Inter-Governmental Commission on Trade, Economic , Scientific , Technological and Cultural Cooperation (IRIGC) was held in New Delhi from 18-19 November ,2004. The Russian side was led by Deputy Prime Minister of the H.E Mr. Alexander Zhukov and the Indian side was led by Minister of External Affairs Shri. K. Natwar Singh. Mr. Zhukov called on the President of India and met the Minister of Finance and the Minister of Commerce and Industry.

Some of the important decisions taken during the Inter-Governmental Commission are:

1. A first Indo-Russian Round Table on Information Technology will be held in Bangalore from 1-2 December 2004.

2. The first Indo-Russian Energy Meet will be held in New Delhi on 15 January 2005.

3. Canara Bank and State Bank of India to sign agreements with two Russian banks to facilitate trade and mutual bank guarantees.

Other areas of cooperation include projects for development of software products and also Indian assistance in the establishment of

software parks in Russia, cooperation between Russian company Sudoimport and Magnum International Trading for construction of auxiliary fleet ships in India and the development of the Indo- Russian Joint Venture Company to produce Titanium Dioxide in Orissa.

India and Russia have identified Energy, IT, Banking, Communications, Bio-Technology as new areas of growth. Special emphasis will be given in expanding cooperation in thermal, hydro and nuclear energy for power production. Both the countries also supported development of cooperation between India and Russia with the purpose of participation of Indian and Russian companies in new Oil and Gas fields in Russia and third countries.

Agreement was also reached to hold the 'Days of Indian Culture' in Russia in September –October 2005 and develop cultural cooperation with in the framework of Exchange Programme of ' Days of the cities Moscow and Delhi' in 2005-2006.

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363. Joint India – Russian Federation Declaration issued on the occasion of the visit of President Vladimir Putin.

New Delhi, December 3, 2004.

The Russian Federation and the Republic of India, hereinafter referred to as the Sides,

Guided by mutual trust and respect inherent in bilateral relations,

Drawing upon their wide ranging tradition of cooperation since the establishment of diplomatic relations in April 1947,

Recalling the Treaty on Friendship and Cooperation between the Republic of India and the Russian Federation of 28 January 1993,

Reaffirming the Declaration on Strategic Partnership between the Republic of India and the Russian Federation of 3 October 2000,

Convinced of the mutual desire to promote global peace and progress, and the need to counter challenges arising out of international terrorism,

Confirm their adherence to the common ideals of secularism, democracy, rule of law, cultural diversity and pluralism,

Affirm their commitment to develop further and enhance the strategic partnership based on nation-wide consensus in both the States,

Declare as follows;

I

India and Russia, as two of the largest democracies in the world, are deeply committed to the establishment of a more democratic world order, based on a multi-polar world, which takes into account the major changes that have taken place in the international political landscape over the past few decades. The two Sides note with satisfaction that the strategic partnership between them serves their long-term national interests, strengthens bilateral relations, deepens mutually beneficial cooperation and contributes to international peace and security.

The Sides agree to intensify exchanges in bilateral relations at the political and parliamentary levels, between the Security Councils and at official level. The significant degree of convergence in the overall perspective as well as interests of the two sides, have enabled Indo-Russian relations to withstand the test of time. Both sides recognize that their cooperation strengthens strategic stability in Asia and the world as a whole.

The Sides propose to continue consultations at all levels between the foreign ministries of the two countries, including those on disarmament as well as on the United Nations issues. Priority attention will be paid to coordination of efforts through the Joint Working Group on Combating Global Challenges and the Joint Working Group on Combating International Terrorism.

The Indian Side regards Russia as a major and fully active member of the international community, and as a country whose voice commands respect and attention on issues of global concern. In this context, the Indian Side strongly supports the earliest possible accession of Russia to the World Trade Organisation. The Sides regard this support as an important demonstration of Indo-Russian relations of strategic partnership, and express their desire to develop, after the accession of Russia to the WTO, cooperation within that Organisation, based on the principles of mutual

respect, equality and mutual benefit.

The Sides are convinced that trade, culture and tourism promote economic cooperation, goodwill and people-to-people contacts between nations. The Sides stress that the traditionally strong bilateral relations have rested on foundations of political, defence and economic exchanges of a substantial nature. In the current context, this process has to be carried forward and strengthened further. Mutual investments in industries, cooperation in IT and banking are some areas that offer a new scope.

Energy constitutes an important part of the bilateral relationship. Considering the expanding energy requirements of India, both Sides stress the need for employing resources that are environment-friendly and available in sufficient quantities. Nuclear power plants offer a pollution-free and substantial source of energy to provide for the sustainable development. Both Sides are determined to continue their cooperation in the field of nuclear energy, incorporating innovative technologies to ensure energy security, with due regard to their commitments to non-proliferation norms. The Sides also recognise the considerable scope for cooperation in the hydro-electric and thermal power sectors. Russia is a major exporter of oil and gas and India is emerging as a large consumer. The Sides affirm their desire to cooperate in development of new oil and gas fields and the means of their transportation in Russia, India and other countries. Both Sides agree to encourage and assist investments in the energy sector by Indian companies in Russia and those by Russian companies in this sector in India. The Sides view cooperation in energy as an area of priority attention in bilateral cooperation.

II

The Sides agree that the 21st century presents new challenges. In a globalised world, there are inherent inter-linkages not only between countries, but also between issues. Both Sides recognise the indivisibility between security and prosperity in the present day world. They agree that the most effective way to address contemporary challenges is through multilateral approaches based on the widest possible international support. Multi-lateralism is an instrument to work towards the objective of a multi-polar world.

The UN system is at the centre of multi-lateralism. Both Sides agree

to cooperate closely at the UN and in other international organizations. In 2005 the UN will be 60 years old. Both Sides emphasise the necessity of comprehensive reforms in the UN system so as to reflect both the enlarged membership in the UN and the contemporary realities. India and Russia emphasise that the expansion of the UN Security Council is an urgent imperative to make the Security Council more representative and effective. In this framework, the Russian Federation reiterates once again that it regards India as an influential and major member of the international community. The Russian Federation reaffirms its support to India as a deserving and strong candidate for the permanent membership in an expanded UN Security Council.

III

India and the Russian Federation reiterate their common resolve to fight terrorism. They reaffirm that global terrorism in all its forms and manifestations constitutes one of the most serious threats to international peace and security, and condemned in the strongest terms all acts of terrorism irrespective of their motivation, whenever and by whomsoever committed. They underscore that there can be no justification for terrorism on any grounds, including ideological, religious, racial, ethnic or any other. They believe that the fight against terrorism has to be long-term, sustained and comprehensive. In this regard they emphasise the need for giving substance and credibility to the global fight against terrorism and avoid selective approaches and political expediency. With the recent targeting of open societies around the world, India and the Russian Federation as two large and influential democracies, have reasons to be concerned about the vulnerability of democracies to terrorist attacks, because terrorism exploits the strengths of democracies such as, the protection of human rights, freedom of expression and movement.

Both countries welcome the unanimous adoption of the UN Security Council resolution 1566 [piloted by the Russian Federation]. Noting that it seeks to consider action against terrorists including sanctions and judicial action and aims at making the Counter Terrorism Committee more action-oriented, both countries decided to actively cooperate with each other in counter-terrorism efforts.

India and the Russian Federation re-emphasise the need for an early adoption by the General Assembly of the Comprehensive Convention on

International Terrorism and the International Convention for the Suppression of Acts of Nuclear Terrorism.

IV

Both Sides reaffirm that proliferation of weapons of mass destruction (WMD), their means of delivery and related materials, particularly the risk of their falling into the hands of terrorists constitutes a threat to international peace and security. They highlighted the need to prevent terrorists or those who harbour them from acquiring or developing WMD, their means of delivery and related materials. Both sides emphasised the necessity to further address this threat on national basis as well as through forward looking multilateral long term efforts by all partners against proliferation with the central role of the United Nations. As strategic partners India and Russia affirmed their commitment to cooperate bilaterally as well as through appropriate multilateral forum towards contributing to this objective.

Both Sides also reaffirm their commitment to support efforts to prevent the deployment of weapons in outer space while preserving it for peaceful and cooperative activities aimed at developmental benefits.

V

The Sides note with satisfaction that the Trilateral Meetings at the Foreign Ministers level of India China and Russia have been taking place regularly. These meetings have been useful in promoting understanding and exploring areas of possible cooperation at a trilateral and at an international level. The Trilateral Meetings have also reflected a strong concern against terrorism anywhere and in any form. The Sides express their conviction in favour of progressive increase in the trilateral cooperation, which could also result in social and economic development amongst the three countries.

VI

The Sides considered the situation in Central Asia and note that security and stability in that region coincides with the priorities of India and Russia for the region. Greater economic growth and democratic progress of the Central Asian States demand the respect for their freedom to choose the models of development and implementation of reforms.

VII

The Sides express concern over continuing violence in Iraq and stressed the need for an intra Iraqi dialogue aimed at building national consensus on a new constitution and on restoring stability and security in the country. The Sides advocate strict compliance of the UN Security Council resolution 1546, particularly with regard to the interim timetable of political process stipulated by it with a view to facilitating the formation of a new, democratic Iraq.

The Sides affirm their continuing interest in contributing to the reconstruction efforts in Iraq and urged a wider degree of international consultation in the ongoing peace efforts. The Sides believe that it would be in the interest of the international community to restore the efficacy of multilateral approaches in addressing situations such as the war in Iraq.

VIII

The Sides support the objective of a lasting, just and comprehensive settlement of the Arab Israeli conflict, based on relevant resolutions of the UN Security Council. The sides encourage the resumption of peaceful negotiations as soon as possible in accordance with the Road Map worked out by the Quartet of international intermediaries and approved by the UN Security Council in its resolution 1515.

IX

The Sides welcome the successful conclusion of the Presidential elections in Afghanistan and underline the importance of efforts at national reconciliation and unity. The Sides also look forward to conduct of the parliamentary elections as scheduled in April/May 2005. They express support for a strong, united, sovereign and independent Afghanistan and underline the importance of empowering the Central authority with indigenous security institutions.

The Sides reiterate their support for the reconstruction process in Afghanistan. The Sides express their concern at the continuing threat to security, especially in the South and Southeastern provinces and also over the continued increase in the cultivation, production and trafficking of narcotic drugs in Afghanistan and underlined the need for effective steps to counteract the drug and terrorist threats.

X

The Russian Federation and the Republic of India are convinced that their bilateral cooperation in all forms, and their strategic partnership, contributes to the strengthening of the regional and global goodwill and cooperation. They are determined to further enhance in every possible way the relations of partnership and closely interact on a bilateral and multilateral basis, with other states, regional and international forums.

Prime Minister of the Republic Of India

President of the Russian Federation

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364. Joint press conference by Prime Minister Dr. Manmohan Singh and President of Russia Vladimir Putin.

New Delhi, December 3, 2004.

Prime Minister Manmohan Singh : President Putin, distinguished members of the Russian Delegation, my cabinet colleagues, ladies and gentlemen,

We have just concluded a very important meeting in which we have laid down several new milestones for expanding, widening, deepening our cooperation with Russia. Defence cooperation[1] between our two countries is an important pillar of this joint cooperative venture. This cooperation has been moving forward. There were some problems with regard to the supply of spares. Those have been resolved. We have also agreed that our relations in defence cooperation go much beyond buyer-seller relations and it must

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1. The next day President Putin said that all problems in military-technical cooperation between the two countries had been resolved during a session on an inter – governmental commission. "Very detailed two-day negotiations have resulted in settling virtually all problems in our military-technical cooperation. There are no problems that could obstruct our movement forward in this sphere now", the Russian Interfax news agency quoted Mr. Putin as telling the Defence Minister Pranab Mukherjee. The same agency quoted the Russian Defence Minister, Sergei Ivanov, as saying that the delivery of Russian Tu-22 strategic bombers to India was discussed at a session of the inter-governmental commission. "The Tu – 22 is mentioned in a protocol signed on the results of the session", he said.

include joint research and development, joint production and joint ventures.

With regard to economic cooperation, both of us are agreed that the present volume of trade and investment flows between our two countries is much below the true potential. The Joint Commission, which looks into these matters, will approach this task with a new sense of urgency. In the course of our discussion, the issue of Russia being described as a market economy came up. I have conveyed to President Putin that we stand by the commitment already given by Prime Minister Vajpayee in this regard. Russia will be treated as a market economy under our own anti-dumping rules in any future anti-dumping investigations.

The matter relating to Russia's membership of WTO also came up. I have assured President Putin that we will fully support Russia's earlier entry into the WTO and we will work towards an early conclusion of our ongoing bilateral negotiations in this regard.

We also discussed issues relating to energy cooperation and investments by Indian entities in oil exploration and development in Russia and elsewhere. We also discussed the issues relating to cooperation in peaceful uses of atomic energy. Energy cooperation figured prominently in our discussions.

Altogether, we are fully satisfied with the outcome of these discussions and we are very grateful to President Putin for his deep personal involvement and interest in cementing the close and friendly relations between our two countries. In particular, we are very appreciative of Russia's sustained support for India's permanent membership of the Security Council.

We also had a very useful survey of events in our neighbouring countries particularly Afghanistan and Iraq. In all these matters there is a close similarity of views.

I think I will stop here. I now request President Putin to make his statement.

President Putin : Thank you, distinguished Mr. Prime Minister.

At the outset, I would like to say that the current visit to New Delhi is a special visit for us and we attribute significant importance to it, because now we are speaking about the establishment and development of the

relations with the new members of the Government of India. At the same time, we are pleased to note, and it is of great importance to us, that the Prime Minister himself and many of his colleagues have been working with Russia for a long time, and their work has been not only extensive in the context of the Russian Federation but also of great significance in contribution to our relations.

Today, I would like to note with pleasure that we had another opportunity to see that the way for the development of strategic partnership between Russia and India is not influenced by any political circumstances. Without any exaggeration I will say that through all the agenda, through all the items discussed we have come to the full understanding on both sides. We have shared very close approaches to the development of our cooperation in international aspects and international organizations - first of all, within the United Nations organization, certainly in such matters as the Iraqi one, the Afghani and the Middle-East settlement, countering terrorism. Moreover, we are grateful to our Indian colleagues, as it was just stated by Mr. Prime Minister, for the constructive approach and preparedness to facilitate the accession of Russia to the WTO, and also for the statement made by the Prime Minister with regard to the admission of the Russian economy as a market economy.

Today, a whole set of documents was signed, and I believe and I trust that they will correspond to additional, new dynamics to our development and cooperation. First of all, I would like to highlight the Russian-Indian political declaration which has fixed the agreed joint positions on the general problems of the modern time, and also with the new Inter-Governmental Framework Agreement on the Cooperation in the field of research and peaceful use of the outer space. In fact, the real mechanism for an effective interaction of our States in the space activities has been established stretching as far as the implementation of large-scale programmes and projects. And I should tell you that the work in this field goes in a rhythmic way in a continuous manner, and it is expanding and increasing.

Together with our Indian partners we are prepared and aim at the enlargement and expansion of our interaction in business. And here we speak in particular about the expansion in investment cooperation. Indian companies are participating in the large-scale energy project, which is

Sakhalin-I, and Russian companies in return participate in the Kudankulam Project. We can be expanding and increasing our interaction in economy especially in such sectors as energy, metals, rail and water transportation and many others.

We attribute significant importance to inter-bank cooperation. Regional cooperation, small business are exactly the fields where we have lots of untapped potential. Definitely we have not forgotten about science, education and culture.

In conclusion, I would like to underscore once again that the negotiations we had were very trustful, trustworthy and also very substantial. I am convinced the decisions that have been taken today will make a significant new contribution and correspond new dynamics to the developments of the Russian-Indian relations. They will also allow to strengthen our position and our cooperation in the international arena.

Thank you for your attention.

Question (Mr. Amit Baruah, *The Hindu*): Mr. President, we have seen this report of the High Level Panel set up by the UN Secretary-General; and both the scenarios envisaged for the expansion of the UN Security Council relate to the absence of the veto power. Russia has been one of the countries which has always supported India's entry into the Security Council as a permanent member. India, obviously, would like to have the veto power and not be treated in a second-class category. So, while you support India's entry into the Security Council, would you like India to have the veto power as well?

President Putin : First of all, our position is in preserving the United Nations' universal character and serving as a tool for the resolution of all the problems in the modern world. We are for the reorganizing of the United Nations, including through the enlargement of the number of the permanent members of the Security Council. India is the largest (populous) State in the world, and India is our strategic, privileged partner. And speaking about the enlargement of the Security Council from the point of view of geographical representation, in our view, India is number one in this list.

And in the process of negotiations, we show significant flexibility. And I should tell you that we have full understanding, mutual understanding,

with our Indian partners in this matter. But, if speaking about the rule of veto and other tools which are present in the United Nations Organization, then we should say that we believe that it would be absolutely unacceptable to erode such existing tools of the United Nations Organization. Because, otherwise the United Nations Organisation will lose its rights, and lose its role, changing into some discussion club, some new edition of the League of Nations. And beyond any doubt, there should be no impediments on the rights of the members of the Security Council. I think that would have been a destructive approach. But we would like to underscore that we have to show flexibility taking into account the interests of all the participants in the process. So, thus I have described to you our position[1].

Question (Russian Media) : I have two questions. The first question is to the Prime Minister of India. You have just said that India is prepared to admit the market economy status of the Russian economy. However, do you expect, and when do you expect this fact can be put on paper and be published officially. The second question is, what is your approach, and what is the process of Russia's accession to the WTO. The second question is to both Prime Minister of India and President of Russia. What are the plans, and whether the agreement between Russia and India with regards to the protection of intellectual property rights will be signed?

Prime Minister Manmohan Singh : As far as this question of a country

1. The Russian President's answer was interpreted rather negatively by the media which said that Russia did not favour veto power by new entrants to the Security Council as permanent members. However, in his meetings with the Vice – President of India and the leader of the Opposition in the Lok Sabha, President Putin took pains to clarify the correct position which he wished to convey at the previous day's press conference. The Official Spokesperson of the MEA Navtej Sarna on December 4 officially conveyed the correct position to the media as clarified by the Russian President. .He said: "In his meeting with the Vice – President of India and later with the Leader of the Opposition, President Putin categorically rejected the interpretation given by some newspaper reports on his remarks yesterday about veto powers in an expanded Security Council. He said that he had emphasized the need of retaining the instrument of veto as a means of ensuring the effectiveness of the UN Security Council. In extending full support to India's candidature, he felt that India as a new member should have the full rights of permanent membership, including the right to veto. He said that if India achieves a permanent seat in the Security Council, it cannot be a permanent member of a second rank."
   In addition to the above, later on the same day after inaugurating the Brah Mos office complex speaking to the media Putin pointed out to "another factor" – if future permanent members in the Security Council were not given the veto, the next step would be the abolition of the power itself. In his view the absence of this power would undermine the UN's credibility. "I would like to reiterate that all these decisions should be taken on the basis of consensus", he said.

being designated as a market economy is concerned, its significance is only in the conduct of anti-dumping investigations. In accordance with the assurance given by former Prime Minister Shri Atal Bihari Vajpayee, we will accord Russia the status of a market economy.

As regards the issue of accession to the WTO, the process involves each member country negotiating its individual agreement with the country which desires to become a member. As I said earlier, I have assured President Putin that we will fully support Russia's early entry into the WTO. And that means that there will be early conclusion of our joint, our ongoing bilateral negotiations in this regard.

As regards the intellectual property question with regard to defence supplies, we have agreed that this matter should be resolved within the next four months, that is beginning January, four months. And the broad principles have been agreed that the intellectual property rights will be respected with regard to all future supplies of equipment. As regards existing agreement, they will run their course in accordance with the agreements already made.

President Putin : First of all, which pertains to the Russia's WTO accession, we had only one technical issue remaining which has been coordinated through the negotiations today. And the process is about formulating and agreeing upon everything on the expert level. And our understanding at the moment is that this issue does no more make a problem. Speaking about the intellectual property agreement, this is an agreement to the interests both of Indian and Russian sides. I agree with what has been said here by Mr. Prime Minister is that within three or four months we can and should resolve this problem.

(Mr. Vladimir Putin spoke in Russian. His comments are translations by the Official Interpreter).

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365. Interview of Prime Minister Dr. Manmohan Singh with "*Rossiiskaya Gazeta*". (unofficial translation)

New Delhi, December 3, 2004.

Question : Mr. Prime Minister, on the eve of President Putin's visit to India it will be very interesting for our readers to learn how do you evaluate the current level of Russian-Indian relations?

Dr. Manmohan Singh: Relations between India and Russia can be defined as strategic partnership, which is the basis for bilateral cooperation and for joint efforts on building a new world order. We are looking forward to President Putin's visit to India. This visit will become a new landmark in the history of our relations. Great progress has been made in our political and strategic relations and we will develop it further, without letting it stop. We should think of the prospects of our strategic partnership. Our commercial and economic relations should be deepened and the optimal environment for mutual investments in the economies of both countries should be created. India and Russia are two large, fast growing economies with extensive base for further development. Along with the traditional spheres of trade we would like to promote high technology sector, i. e. IT, biotechnology, banking and financial services. Energy sector is a very important component of our cooperation. We are looking forward to expanding our cooperation in peaceful use of the nuclear energy and exploration of space. I hope Mr. Putin and I will exchange views on the crucial regional and world problems.

Question : The other day you met with your Pakistani colleague Mr. Shaukat Aziz. Could you say a few words about the current situation in resolving the Kashmir issue and about the outcome of the talks with Mr. Aziz?

Dr. Manmohan Singh: I had a useful exchange of views on all subjects with Prime Minister Shaukat Aziz during his visit to India on November 23-24, 2004 in his capacity as the Chairperson of SAARC. There was a commitment from both sides to take this process forward.

As far as the issue of Jammu and Kashmir is concerned, we have expressed our willingness to hold substantive and purposeful dialogue on all bilateral issues, including Jammu and Kashmir. In fact, we have a mechanism of Foreign Secretaries holding discussions on the issue of J&K within the framework of the Composite Dialogue. During my meeting with

President Musharraf in New York on September 24, 2004, I had agreed to look at various options to resolve the issue. However, I made it clear that there could be no re-drawing of borders or another partition of the country.

We need to be realistic and practical in our approach. Fixing artificial time frames and deadlines will not help in resolving longstanding and complex issues like that of J&K.

I want to state very clearly and categorically that terrorism cannot be justified on any ground or pretext. At this stage, we feel that forward movement is possible through implementation of the cooperation measures proposed by us in June, including promoting greater contact between the people on both sides of the LoC, new transportation links, and increased cross border/ LoC trade. This would improve the overall environment of our relationship and help create a conducive atmosphere in which more difficult issues could be addressed.

Question : As is known, Russia does not mind that in the course of reforming UN India becomes the permanent member of the Security Council. What is your evaluation of the role that current Security Council plays and what are your expectations from its expansion?

Dr. Manmohan Singh: We appreciate Russia's consistent support. Concerning the UN Security Council and its effectiveness in the contemporary context, the UN is nearly sixty years old. The UN Charter which was adopted in 1945 in some ways was a product of the historical circumstances at that time. The Security Council, as it is now, does not correspond to the reality of the present day. India has the will and the capability to take responsibility of being the permanent member of the Security Council.

Question : India expressed its desire to join the Shanghai Cooperation Organization. How is it getting on?

Dr. Manmohan Singh: India is a member of the Conference on Interaction and Confidence Building Measures in Asia (CICA) and remains willing to contribute to peace, security and confidence building in Central Asia both bilaterally as well as through regional organisations.

Question : India is a nuclear power, but it has not signed the Non-Proliferation Treaty yet. Are you about to sign it?

Dr. Manmohan Singh: Though India has not signed the Treaty, we fully share the non-proliferation principles. India feels that WMDs of all kinds should be eliminated all over the world in the coordinated period of time. Imperfectness of the current non-proliferation regime has had a negative impact on the national security interest of our country. That is why we are interested in strengthening and making the non-proliferation regime more effective, and at the same time we do not want to face any obstruction, hampering the progress in the peaceful use of atomic energy. India, Russia and other countries, which count on atomic energy must take joint actions to achieve these goals.

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366. Interview of Prime Minister Dr. Manmohan Singh to the Russian daily *Kommersant*.

New Delhi, December 3, 2004.

(Editor's note: The reason for India's interest towards the visit of Russian President Vladimir Putin is that it is the first Russian-Indian summit after the new Cabinet headed by Dr. Manmohan Singh came to power this spring. Several hours before the summit Dr. Manmohan Singh told about his priorities in an exclusive interview to "Kommersant" correspondent Sergey Strokan).

Question: This summit will let you establish personal relations with Russian President Vladimir Putin. In his relations with George Bush and other leaders Vladimir Putin pays much attention to personal contacts. How important is this contact for you?

Answer: Personal relations do not emerge from vacuum; they depend on the state of bilateral relations. I would like to note that India-Russia partnership has stood the test of time. There is a high level of confidence between our countries based on deep understanding of each other's interests. This fact creates the necessary prerequisites for development of personal contacts. Though this summit will be the first India-Russia high-level meeting after the change of the government in India, it will not be my first meeting with President Putin. I met him during his previous visits to

India. I must say, I was impressed by his commitment to development of relations with India. We look forward to his arrival in India where he will receive a warm welcome.

Question: There is an opinion that Russian-Indian relations do not depend on which government holds office in India. However every new Cabinet introduces something new. What are the priorities of your Cabinet?

Answer: Our relations are marked with remarkable stability and durability despite all the dramatic changes in the world. They are not subject to momentary conjuncture in any international situation. Each of our countries has a certain consensus on this, that stands for continuity of relations. In 1991 Delhi-Moscow relations entered a new stage that lasts up to this moment. My government aims at developing strategic partnership with Russia in all diverse areas on the basis of mutual benefit, at the same time adding contents to already identified areas. Our political relations are developing on a solid foundation, economic aspect requires more attention from both the sides. This dictates today's priorities: cooperation in space, military and technical ties, atomic power, Science & Technology. These are the areas of our special focus.

Question: You are well known not only as a politician but also as an economist who as Minister of Finance presented at the beginning of the 90s the program of liberalization of Indian economy. Do you consider yourself a representative of a new generation of Indian leaders – pragmatic-technocrat?

Answer: Indian economic policy has always been based on pragmatism. It is normal for any democracy. However there are moments when political leaders should be able to look into the future and take bold decisions even if they are not popular and do not find support. That is what we did in 1991. Then I was sure that our critics would soon understand and appreciate the reforms. So it happened. What we did in 1991 was based not only on pragmatism but also on a new vision of the future. However to achieve real changes, pragmatism should be combined with the attempt to look forward and define a long-term strategy of development. As for what a leader of modern democracy should be like, he should combine all the qualities of a "technocrat" as you put it and at the same time consider himself a representative of the nation. Any policy will be successful when it gains understanding in the society and is based on wide support of the masses. That is what we try to do in India.

Question: Your Cabinet promised to continue reforms and at the same time fight poverty, which reminds the program of President Putin. Do you see common features in economic policy of the two governments what can Russia learn from India and vice versa?

Answer: Like Russia we have been actively carrying out economic reforms for over a decade. The results are encouraging. Consistent economic growth in India and its further integration into world economy already attracted attention of world community. At the same time in the process of reforms we do not forget about social imperatives. Development of social sphere and increase of living standards of lower classes of the society are key directions of our economic policy. We know about economic reforms that are implemented in Russia under President Putin. I think both our countries carry out their policy keeping in view the existing difficulties and the possibilities of their resolutions.

Question: India and Russia try to gain more weight in world policy by participation in different international organizations. What possibilities does it open?

Answer: India and Russia not only develop bilateral relations but also cooperate actively in the international arena. We are thankful to Russia for its consistent support of India's efforts aimed at gaining the status of a permanent UNSC member. In its turn India actively supports Russian entry into WTO. Membership in this organization will let us contribute a lot to formation of new world order. Indian membership in these organizations meets the realities of world policy.

Question: What do you think about the creation of "Great-5" (Russia, China, India, South Africa, Brazil)?

Answer: We have a system of continuous dialogues between Foreign Ministers heads of the Ministries of External Affairs of India, China and Russia. There is also a dialogue forum – IBSA that unites India, Brazil and South Africa. Today we should pay more attention to development of those mechanisms as each of them is only at its preliminary stage. India and Russia think that conflicts like that in Iraq should be resolved through UN that represents the will of world community and relies on international law.

Question: Russia and India are multinational and multi-religious states.

What common features between our Federations do you see? What common problems do they face ?

Answer: India and Russia share many values and interests. At the same time we face common threats. International terrorism, religious extremism, trans-border crime, drug trafficking and illegal arms trade challenge our countries. These are serious problems for regional and international stability. However they are especially dangerous for pluralistic societies like India and Russia. It is well known the main base of international terrorism, its center, is located in the immediate neighbourhood of India and Russia. We advocate a common approach in fighting against these threats.

Question: Your government showed willingness to hold a dialogue with all the parties on the issue of Kashmir and announces reduction of military presence in the region. Does it mean that now you stress political regulation?

Answer: Our position has always been firm and consistent. We will not compromise with terrorists. It is unacceptable and cannot be justified on any pretext. At the same time, we are ready to sort out any political issue and any conflicts by peaceful means. We are discussing problems of Jammu and Kashmir with the members of the legislature of the state. We made it clear that we are ready to talk to anybody who gives up violence. And our withdrawal of troops is connected with general improvement of the situation in the state that became possible due to effective measures taken to stop trans-border terrorism, and due to the fact that fight against terrorism gained public support.

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367. Strategic Cooperation Agreement between Joint Stock Company "GAZPROM" and Gas Authority of India Limited.

New Delhi, December 3, 2004.

The present Strategic Cooperation Agreement is signed in New Delhi on 3rd Day of December 2004.

between

JOINT-STOCK COMPANY "GAZPROM", a company created according to the legislation of Russian Federation, with the office at the address: 117997, Russian Federation, Moscow, Nametkina Street, 16 (further called "**GAZPROM**", and this expression includes its successors, if the context does not provide other) on the one side;

And

GAIL (India) Limited, a company registered under the Companies Act 1956, having its registered office at 16, Bhikaiji Cama Place, New Delhi-110066, lndia (hereinafter referred to as "**GAIL**", and this expression includes its successors, if the context does not provide other) on the other side,

Further called separately **"PARTY",** and together - **"PARTIES",**

EXPRESSING **aspiration to the further deepening of all-round cooperation, in the field of development of the gas industry of India, Russia, and other countries.**

BASED on principles of mutually advantageous cooperation, repeatedly fixed in the protocols of meetings of the Russian-Indian commission on trade-economic, scientific and technical and cultural cooperation and in the protocols of meetings of Working Group on petroleum and gas industry;

TAKING TO THE ACCOUNT, that GAZPROM is one of the largest gas companies in the world, has experience in management and organization of wide range of works on development and operation of oil and gas fields and opportunity to implement the projects in the area of oil and gas industry, including the "turn- key" projects, and also to participate in the projects as an operator, and also, that

GAZPROM owns oil and gas fields, develops and operates the gas pipelines network and has experience in development and operation of transnational infrastructure for natural gas transportation and utilization;

TAKING TO THE ACCOUNT, that GAIL, under the administrative control of the Ministry of Petroleum and Natural Gas of India, is the largest company on transportation, distribution, sale and processing of natural gas in India, and also carries out various works in petrochemical areas;

GAIL has experience in the development of natural gas infrastructure and owns, develops and operates the major share of national gas pipelines, LPG pipelines and has the leading position among the sellers of bulk and retail natural gas to the large number of the consumers in India;

GAIL has working interest in exploration and production and in long-term sources for supply of natural gas to the Indian market, including LNG and transnational gas pipelines and also in implementation of the projects in gas sector in other countries;

TAKING TO THE ACCOUNT, that the Parties already successfully carry out joint work on the Block N 26 in Bengal gulf within the framework of Production Sharing Agreement, signed on October 3, 2000 with the Government of Republic of India and Working Agreement, signed by the Parties on June 7, 2001, that the Parties are going to consider opportunities of the further development of business in India, Russia and third countries for joint implementation of the projects in oil and gas industry. Based on the principles of equality and mutual benefit, the Parties have agreed as follows:

Article1

1.1 The Parties will carry out the cooperation in consideration and implementation of the projects of deliveries of natural gas to India (further **- Projects of deliveries of natural gas**). This will be subject to respective Government approvals (if required).

1.2 The **Parties** have agreed, that the **Projects of deliveries of natural gas** from various directions and in the various form will ensure the stable, secure and long-term competitive supply of natural gas to India to the mutual benefit of the Parties.

1.3 The Parties will evaluate various opportunities of cooperation in oil and gas sector in Russia and other countries.

1.4 The Parties will discuss and examine the applicability of “Oil for Gas” mechanism in projects agreed for joint implementation.

1.5 After signing of the present Agreement the **Parties** will carry out specific study of projects connected to the areas described here in above for joint implementation in Russia, India and other countries.

Article 2

In addition to development of cooperation in the Projects of deliveries of natural gas and projects in Russia and other countries the **Parties** on the basis of mutual economic interest and according to the legislation of their countries will carry out cooperation on the following areas:

- exploration and development, production, transportation and realization of natural gas, oil and other energy resources, including the forthcoming participation in NELP-V exploration round of India.

- designing, construction, operation and maintenance service of high pressure pipelines, systems of underground gas storage, and also distribution pipelines network;

- diagnostics and control of technical and safety condition of main oil and gas pipelines, and also other objects of the oil and gas infrastructure;

- use of natural gas as a motor fuel, development and operation of gas filling stations network;

- designing, construction and operation of gas distribution infrastructure (gas distribution networks, gas distribution stations, gas distribution points, etc.);

- processing of natural gas and other kinds hydrocarbons;

- designing and construction of gas power generation plants;

- supplying of gas and petrochemical production;

- starting up and service works on objects of oil and gas industry;

- supply the equipments for the oil and gas industry;

- other directions

Article 3

3.1 With the purposes of synchronization of activity and secure the prompt beginning of implementation of the joint Projects

- GAIL will share the outlook for the gas market of India, opportunities of organization of the supplying of natural gas in India and other countries and

- Gazprom will share the outlook for the projects of potential cooperation in oil and gas sector in Russia and other countries.

3.2 With the purpose of creation the favorable conditions for implementation of the Projects of deliveries of natural gas, the Parties will maintain close relations with governments and appropriate bodies, of state management of two countries, including the mechanisms of the inter-governmental Russian-Indian commission on trade-economic, scientific and technical and cultural cooperation and Russian-Indian Working group on oil and gas industry.

Article 4

The Parties will carry out the cooperation on the perspective projects in the third countries, including exploration and development of gas and oil fields.

Article 5

The Parties will develop scientific and technical cooperation, including, but not limited, in the following areas:

- exploration and development of gas and gas condensate fields;

- opportunity of exploration and development of gas hydrate fields on the shelf of India, coal bed methane;

- gas transportation and underground gas storages;

- operation, preventive maintenance and diagnostics of gas pipelines;

- utilization and processing of natural gas;

- development of information base and technical standards for the gas

industry, protection of environment;

- use of gas in transport sector as a fuel.

Article 6

The Parties will develop cooperation in the field of improvement of professional skills, training of the personnel and carry out the exchange of the specialists.

Article 7

7.1 The affiliated companies, controlled by the Parties**,** can be attracted to the cooperation on the projects mentioned in the present Agreement.

7.2 The Parties will encourage and coordinate cooperation of the affiliated companies, which will be carried out according to the previous point 7.1.

Article 8

The cooperation on each of the possible projects on the above named directions will be adjusted by the separate agreements of the Parties**,** in which Party will define the concrete forms and conditions of such cooperation.

Article 9

9.1 For successful realization of the present Agreement the Parties will create a high level Joint Coordination Committee (further - Coordination Committee**),** responsible for the management and coordination of cooperation on all directions specified in Articles 1-8 of the present Agreements.

9.2 The Coordination Committee will include 3 members from each of the Parties (Co-Chairman of Coordination Committee and 2 members)

The Parties within 15 days after signing of the present Agreement will send to each other the Notice with the names and positions of the candidates nominated as the Co-Chairman of Coordination Committee and the members of Coordination Committee.

If the Party will replace its Co-Chairman, it should in time notify the other Party in writing.

9.3 The Meeting of Coordination Committee will be held not less than two times per year for discussion and taking the decisions on the important issues of bilateral cooperation, including the development of the complex working plan, preparation of the agreements and appropriate working plans of cooperation under the concrete projects and other questions.

On demand of one of the Parties and after the consent of other Party the Coordination Committee can be called for extraordinary meeting. The meeting of the Coordination Committee will be held serially in Russia, in Republic of India, or in the third countries, as required.

The decisions of Coordination Committee will be taken unanimously. The decisions of Coordination Committee can also be taken without holding the meeting by written voting of the representatives of the Parties in Coordination Committee.

The Co-Chairman of Coordination Committee of the Party organizing the appropriate meeting shall nominate for each meeting the secretary responsible for preparation of the Protocol and the Minutes of the meeting. In the case of necessity of signing of the protocol of meeting of Coordination Committee, the Protocol should be signed at the appropriate meeting or not later than one month from the date of the meeting.

9.4 The Coordination Committee is authorized to take the decisions on formation of Working Groups within the framework of Coordination Committee. The Working Groups work within the competence determined by Coordination Committee.

9.5 For the purposes of realization of strategic cooperation of the Parties and strengthening of mutual understanding and trust, the Parties shall organize the mechanism of regular meetings of the top managers and constantly working telephonic conference. The Coordination Committee bears responsibility for coordination of work on formation and functioning of this mechanism.

9.6 The Parties will carry out mutual visits of delegations of the specialists for strengthening relations and cooperation of the Parties and for successful realization of the projects.

Article 10

10.1 The Parties agree that the Party under the request of other Party will

duly provide to this Party the information which is necessary for work under the directions of cooperation agreed by Parties**,** provided that the provision of this information does not contradict the appropriate legislation of two countries and does not violate any existing obligations on confidentiality.

10.2 The Parties undertake to keep strictly the confidentiality of confidential information provided by the other Party, and to provide it only to directors, employees and advisers (legal, financial and other advisers) of the Parties**,** which take part in the projects under the present Agreement and it is necessary to them to use the provided confidential information, provided that they accept the appropriate obligations about disclosure of such confidential information.

The confidential information should not be transferred to any third party without preliminary written consent of other Party except the disclosure of the confidential information according to the requirements of the applicable legislation, and also under the lawful requirement of competent court, other body of justice or administrative body such as Government., Ministries /Agencies.

The terms of confidentiality should be included in the agreements between the Parties made in connection with the realization of the joint projects. In case of necessity, the Party will conclude the separate agreements on confidentiality.

Article 11

The disputes arising in connection with execution of the present Agreement or connected to the present Agreement shall be resolved by friendly negotiations and consultations.

Article 12

For performance of the present Agreement the Parties will use mainly English and Russian languages.

Article 13

13.1 Each Party will bear its own costs and charges arising from the performance of this Agreement. Any third Party costs would be equally shared between Parties if approved by the Coordination Committee. The

terms of payment of the agreed joint charges will be determined by the separate agreements of the Parties.

Article 14

14.1 The messages or other information transmitted to any of the Parties of the present Agreement, should be made in writing in English or Russian languages and can be delivered to other Party to the address, specified in point 14.2 by special couriers, custom-made airmail, express mail, by fax or electronic mail.

14.2 The communications should be directed to the following addresses:

OAO "GAZPROM"
16, Nametkina street, Moscow, Russian Federation
The postal index: 117997
The addressee: Department of foreign relations, A.S. Shamuzov
The telephone: 7 - 095- 719 25 28, 719 43 36
Fax: 7-095-7194876,7187084
E-mail: A. Shamuzov@adm. gazprom.ru, Shamuzov@gazprom.ru

GAIL (India) Limited
16, Bhikaji Cama Place, R.K.Puram, New Delhi, India.
The postal index: 110066.
The addressee: Mr. Rajeev Khanna,
Executive Director, Business Development & J.V
Tel.: 00 91 11 26170128
Fax: 00 91 11 26185941 571#
E-mail: *r*khanna@*igail.co.in*

In case of change of the address or addressee the appropriate notice in writing should be send to the other Party.

Article 15

15.1 Each of the Parties has no right without preliminary written consent of other Party to assign it's rights and obligations under the present Agreement to any third party.

15.2 All amendments, changes and addition to the present Agreement are valid only if they are made in writing in English and Russian languages and signed by the authorized representatives of the Parties. All valid

amendments, changes and addition should be the integral part of the present Agreement and have the same force.

15.3 The present Agreement shall be effective from the date of its signing and will be in force within 5 years, the validity of the Agreement can be prolonged under the written consent of the Parties duly signed not later than I month prior to the termination date.

The present Agreement is officially signed by the authorized representatives of the Parties in two original copies, both in English and Russian, one copy for each Party. Both copies are authentic and have identical legal force.

Gail (India) Limited	OAO "GAZPROM"
Sd/-	Sd/-
Proshanto Banerjee	A.B. Miller
Chairman and Managing Director	Chairman of the Board

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368. Cooperation Agreement between Mumbai, Republic of India and the City of St. Petersburg, Russian Federation.

New Delhi, December 3, 2004.

The present Agreement is signed and entered into by and between the Office of the Mayor of the City of Mumbai, Republic of India, and the Government of St. Petersburg, Russian Federation, hereinafter jointly referred to as "Parties," and severally, as "Party".

Whereas the Republic of India and the Russian Federation cooperate successfully in many fields, and their cooperation is increasing; and

Whereas the Parties are guided by the principles and provisions of the 1967 Partnership Agreement between Mumbai (Bombay) and St. Petersburg (Leningrad); and

Whereas the Parties wish to build on the economic, scientific, technological and cultural potential of the Republic of India and the Russian Federation in order to further cement friendship between the two nations;

Now, therefore, the Parties do hereby agree as follows:

Article1

The City of Mumbai, Republic of India, and the City of St. Petersburg, Russian Federation, are desirous of advancing their mutual cooperation on the basis of the principles of partnership, mutual trust and reciprocal benefit.

Article 2

Within the scope of their remit, the Parties shall facilitate broader mutual trade and economic cooperation, and promote collaborative industrial projects in energy utilities, mining, heavy engineering, processing, textile, food and other industries, promote better ties between the two cities' Chambers of Commerce & Industry, and facilitate links between private-sector entities through business forums and delegation exchanges.

Article 3

The Parties shall facilitate business links between Mumbai and St. Petersburg organizations engaged in travel, tourism and conventions, and promote partnerships between non-governmental groups.

Article 4

The Parties shall encourage cooperation between Mumbai and St. Petersburg sports organizations, associations, federations, teams and coaches, and promote ties in different areas of physical education and sports.

Article 5

In the fields of education, science and technology, the Parties shall facilitate new links and stronger ties between Mumbai and St. Petersburg scientific think-tanks and educational institutions by means of student and teacher exchange, scientific publications, and enrolling more students in university-level and graduate programs involving training and research in the area of Indo-Russian relations and oriental studies.

Article 6

In the field of culture, the Parties shall promote reciprocal tours by creative groups and individual artists, facilitate art exhibitions, reciprocal

Indian and Russian Culture, Science and Business 'Weeks' in Mumbai and St. Petersburg.

Article 7

If deemed desirable, the Parties may sign separate agreements in any of the cooperation fields listed in this Agreement, in order to regulate the terms and conditions of their cooperation in that particular field.

Article 8

The present Agreement comes into force with effect as of the date when the last notice in writing is received, testifying to the Parties having completed all their internal governmental formalities necessary to give this Agreement full force and The present Agreement shall cease six months from the date when one Party receives a notice in writing from the other, staling its desire to terminate the present Agreement.

The expiry or termination hereof for whatever reason shall not affect the continuity of any programs or projects having commenced before termination and ongoing at the time thereof, and, unless otherwise expressly agreed by the Parties, such termination or expiry shall not affect any further agreements signed by the Parties pursuant hereto.

Any dispute or controversy arising from or in connection with the interpretation or application of any Articles or individual provisions hereof shall be settled by the Parties by means of amicable negotiation.

No amendment or addendum may be introduced into this Agreement except by mutual consent of the Parties.

Every amendment or addendum hereto shall be documented within a Memorandum.

The present Agreement has been signed and entered into in New Delhi this day of 3rd December 2004 in duplicate, each in English and Russian, both texts having equal force and effect.

For and on behalf of
The Office of the Mayor of Mumbai,
Republic of India

For and on behalf of
The Goverment of St. Petersburg,
Russian Federation

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369. Cooperation Agreement between Saving Bank of Russian Federation (SBER Bank) and Canara Bank.

New Delhi, December 3, 2004.

This Cooperation Agreement (the "Agreement") is between SBERBANK (SAVINGS BANK OF THE RUSSIAN FEDERATION), an open joint-stock company, and CANARA BANK.

Now, Therefore, the parties hereto agree as follows:'

PREAMBLE:

"SBERBANK", Savings Bank of the Russian Federation, an open joint-stock company, having its Head Office at 19, Vavilova St., 117997, Moscow, Russia, represented by Mr. Andrei 1. Kazmin, Chairman of the Board and CEO.

AND

"CANARA BANK", a body corporate, incorporated under the Banking Companies [Acquisition & Transfer of Undertaking] Act, 1970, having its Head Office at 112, J.C.Road, Bangalore, represented by Mr. V. P. Shetty, Chairman & Managing Director.

For both the parties, the expression shall, unless repugnant to the context, mean and include its permitted successors and assigns.

Articel 1

Principle Areas of Co-operation:

The Parties hereto agree to develop cooperation in the following areas:

- Settlements and Payments,
- Documentary Business and Trade Finance,
- Project Finance,
- Foreign Exchange and Money Market,
- Financial Services for Military Technical Cooperation between the Russian

Federation and the Republic of India,

- Other operations as may be agreed between the Parties.

1. Settlements and Payments :

1.1. To facilitate commercial and bank-to-bank payments the Parties may enter into direct correspondent relationship with or without opening accounts in foreign or local currency if envisaged by the legislation of the Russian Federation and the Republic of India respectively. The procedure of opening and operating accounts in any currency shall be specified in a separate agreement between the Parties.

1.2. The Parties agree to use S.W.I.F.T. as the only communication facility.

2. Documentary Business and Trade Finance:

2.1. To contribute developing documentary business and trade finance transactions between their customers the Parties hereto shall establish credit lines for each other. The amounts of such lines and terms of transactions thereon shall be determined by each Party.

2.2. The parties may use Export Credit Agencies coverage.

2.3. The terms and conditions of each transaction shall be separately agreed by the Parties.

3. Foreign Exchange and Money Market:

3.1. To contribute developing Foreign Exchange and Money Market the Parties hereto shall establish credit lines for each other. The amounts of such lines shall be determined by each Party.

4. Finanical Services for Military Technical Cooperation:

4.1. The Parties hereto agree to facilitate cooperation in the area of rendering financial services for military technical cooperation between the Russian Federation and the Republic of India.

4.2. The Parties shall hold mutual consultations with the purpose of establishing optimal conditions of banking servicing in the area of military technical cooperation, including terms and conditions for confirmation and issuance of guarantees.

4.3. With the purpose of developing cooperation in the area of financial services for military technical cooperation between the Russian Federation and the Republic of India the Parties shall establish credit lines for each other for conducting guarantees transactions on an uncovered basis.

5. Other Areas of Cooperation:

5.1. The Parties hereto agree to facilitate cooperation in the areas of project finance and other operations as may be required by the customers of the Parties.

5.2. The Parties hereto agree to have regular exchange of information on trade and business opportunities to facilitate increased cooperation between Russian Companies, the clients of SBERBANK and Indian firms, the clients of Canara Bank by notifying each other in writing on potential transactions.

5.3. To promote trade relations between their clients the Parties hereto shall agree to use their best efforts in searching for potential trade partners on the territory of the Russian Federation and the Republic of India respectively. All necessary information concerning the range of products and services including their description shall be presented to each Party in writing for further consideration.

ARTICLE 2
Exchange of Information

1. The Parties should extend assistance to each other in legal matters such as providing information relating to the requirements of legislation as to operation of correspondent accounts, procedure of settlements, regulations in the fields of finance and trade in the Russian Federation and the Republic of India respectively.

2. Each Party shall provide the other Party upon request with available and disclosable under applicable legislation information on companies and banks in the Russian Federation and the Republic of India respectively.

3. The Parties shall arrange regular exchange of information concerning latest technologies applied by each Party for effecting transactions between the Parties.

4. The Parties shall arrange periodical exchange of experts to share

experience in different areas including settlements, documentary business, trade and project finance, information technologies, etc.

ARTICLE 3
Onfidentiality

Both Parties shall take all necessary measures to ensure the confidentiality of all documents and information exchanged under this Agreement as well as any other documents signed under the framework of this Agreement unless any applicable legislation requires otherwise. Provided that nothing in this clause shall be applicable for any disclosures to be made as per the direction of any Court of law established in either country.

Article 4
Term of the Agreement

1. This Agreement shall become valid and effective on the date of signing hereof by both Parties.

2. The Agreement may be terminated at any time by either Party upon giving not less than 30 days written notice to the other party. Any acts done prior to the termination of this agreement shall not be affected by termination. The date of receipt of notice of termination shall be the date and time at which the other party to this agreement has received the notice". If the notice is received by fax, then the notice shall be deemed to have been received by the other party at the time at which the acknowledgement of having received the notice by fax is received by the other party. If the notice is sent by courier, the other party to this Agreement shall be deemed to have received the notice on the receipt of acknowledgement of the same by the party sending such notice.

Article 5
Miscellaneous

1. This Agreement can be amended, modified or supplemented only in writing by mutual consent of both Parties at any time.

2. Any matters, issues or disputes arising under this Agreement shall be resolved through mutual negotiations between authorized representatives of the Parties.

3. The Parties shall meet in order to develop and give force to the single issues, to analyze and furthermore suggest if needed any additional changes and adjustments to improve the undersigned agreement.

4. The Parties reserve the right to incorporate the following clauses at the time of entering into any agreement at a later date:

- Force Majeure,

- Mechanism for alternative dispute resolution and the place of arbitration and the relevant law applicable,

- Terms of breach of contract and the quantum of liquidated damages for breach of contract.

Article VI
Execution of the Agreement

This Agrement is executive in English 4 originals, two-for SBERBANK and two

- for Canara Bank.

In witness whereof, the Parties, each acting through its authorized representatives,

signed this Cooperation Agreement

Date : December 3, 2004

For and behalf of SBERBANK (Savings Bank of the Russian Federation)	For and behalf of Canara Bank
Name: Mr. Andrei I Kazmin	Name: Mr. V. P. Shetty
Title: Chairman of the Board and CEO	Title: Chairman and Managing Director
Address: 19, Vavilova St., 117997, Moscow Russia	Address: Head Office 112 J. C. Road, Bangalore 560 002

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370. Agreement of Cooperation between Centre for Russian, Central Asian and East European Studies, School of International Studies, Jawaharlal Nehru University New Delhi, India and Centre of National Glory, Moscow, Russia.

New Delhi, December 3, 2004.

The Centre for Russian, Central Asian and East European Studies, School of International Studies of Jawaharlal Nehru University, New Delhi, India (hereinafter called CRCAEES/SIS) and Centre of National Glory, Moscow, Russia (hereinafter called CNG)

with the objective of promoting cooperation in teaching and research, with a view to promoting the "Dialogue of Civilizations"

do hereby conclude the following agreement of cooperation:

Article 1

Both parties hereby agree to promote the following activities under this umbrella Agreement of Cooperation.

1. Exchange of faculty

2. Exchange of research scholars and students

3. Exchange of information and materials in fields of interest to both parties

4. Activities such as collaborative research, lectures and symposiums etc

5. Joint Cultural Programmes

Article 2

The areas of activity identified by mutual agreement shall be as follows to begin with:

1. Build links between the teaching and research undertaken at the two partner Centres relating to Russia, Eurasia and international politics.

2. Organize lectures of academics, public figures and other eminent

personalities in their respective institutions.

3. Co-publication of mutually agreed research and academic materials.

4. Identify the areas of research and dialogue on relevant issues pertaining to the strategic partnership between Russia and India.

5. Undertake joint research projects and seminars, particularly in such relevant areas as Peace, Conflict Resolution, Eurasian Security, multi-lateralism and the global dialogue of civilizations.

6. The Centre of National Glory will help the Centre for Russian, Central Asian and East European Studies, in identifying and procuring Russian publications on Russia, Eurasia, and other areas of common interest.

Article 3

All activities between the two Centers will be undertaken on the basis of consultations and mutual agreement between the Centre for Russian, Central Asian and East European Studies, and the Centre of Russian Glory.

Article 4

All modalities pertaining to activities based on this AoC shall be negotiated and agreed upon between the two parties in each specific case.

Article 5

Unless agreed upon specifically, the host Centre shall have no financial responsibility for any expenses incurred in respect of activities indicated above other than those expressly provided for.

Article 6

The AoC shall remain effective for a period of three years from the date of signature. It may be further extended or amended with the written agreement of both parties. This AoC may be terminated by either party subject to the delivery of six months advance notice, in writing.

Prof. R. R. Sharma
Dean
Scholl of International Studies

Mr. Alexander Melnik
Honorary President
Centre of National Glory

Jawaharlal Nehru University — Moscow
New Delhi.

In the presence of:
Prof. G. K. Chadha
Vice-Chancellor
Jawaharlal Nehru University
New Delhi – 110 067, India

Mr. V. I. Yakunin
Chairman of the Centre
of Trustees of the Centre
Centre of National Glory
Moscow, Russia

December 3, 2004.

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371. MEMORANDUM OF UNDERSTANDING between SBERBANK (Savings Bank of the Russian Federation) and the State Bank of India.

New Delhi, December 3, 2004.

This MEMORANDUM OF UNDERSTANDING (the MOU), is made and entered into this 3rd day of December, 2004 by and between SBERBANK (Savings Bank of the Russian Federation), constituted under the laws of the Russian Federation, having its registered address at 19, Vavilova St., 117997, Moscow, Russian Federation, and the State Bank of India, constituted under the State Bank of India Act, 1955 having its Central Office and Corporate Centre at Madame Cama Road, Nariman Point, Mumbai 400 021.

WHEREAS, SBERBANK (Savings Bank of the Russian Federation) and the State Bank of India (SBI) (hereinafter referred collectively to as "Banks") are reputable financial institutions in the respective countries.

WHEREAS, at the request of each other, the Banks desire to put in place working procedures that will promote and facilitate the trade between their home countries and develop foreign economic relationship in line with the best international banking practices.

WHEREAS, the Banks desire to improve payment mechanisms, as well as to resolve in the most efficient way other financial matters that may

arise.

WHEREAS, the Banks are servicing external trade of their respective countries.

Pursuant to the aforesaid SBERBANK and SBI record as follows:

Guidelines for Cooperation

Article 1

The Banks will exchange information on bilateral basis, as far as possible.

Article 2

The Banks will exchange, subject to the norms prescribed by the regulators and to the extent feasible, their banking know-how, in furtherance of economic activities.

The Banks shall endeavour to provide as far as possible, bank services to enhance Indo-Russian trade.

Article 3

The Banks will facilitate strengthening correspondent relations among each other/their respective branches.

Article 4

The Banks will consider possibilities of establishment of reciprocal credit lines for transactions as well as using instruments generally accepted in international banking practice for promoting trade between the two countries, within acceptable prudent norms.

The Banks will also consider the possibility of a Pre-Export Finance Facility for export of Russian/Indian goods between the two countries. The amount, tenor and the mechanism thereof will be worked out in mutual consultation between the Banks.

Article 5

The Banks will expand the spectrum of services, within mutually agreeable terms.

Article 6

For the purpose of execution of this MOU the Banks will provide their clients with necessary information and will assist in establishing direct relations between them.

Article 7

The Banks will review from time to time the progress and the achievements under this MOU and discuss measures for future growth in areas of mutual interest.

Article 8

Each of the Banks commits not to release any information received during the implementation of the MOU to third parties, except for if it is required by applicable law.

Article 9

The Banks may authorize their branches to participate in the implementation of certain areas of cooperation within the framework of this MOU.

Article 10

The Banks may consult each other in the sphere of banking activity in respective countries and judicial matters.

Article 11

The Banks will send to each other audited published financial statements, on an annual basis.

Article 12

The Banks understand that the MOU cannot be considered as subject to any material or other claims on each other; rather they shall make endeavour to achieve the purpose and intent expressed herein subject to compliance with respective regulatory provisions applicable in each country and guidelines issued by respective regulatory authorities having regard to prudent exposure norms.

Article 13

This MOU shall become valid and effective on the date of signing thereof by both the parties and may be reviewed/amended in writing only with mutual consent between the consenting parties, as and when desired.

This MOU is executed in four originals on the 3rd December 2004 in the English language, two for each Party.

SBERBANK (Savings Bank of the Russian Federation):	State Bank of Indiar
Sd/- By: Mr. Andrei I. Kazmin Title: Chairman of the Board & CEO	Sd/- By: Mr. A. K. Purwar Title: Chiarman
Address: 19 Vavilova St., 117917 Moscow Russian Federation	Address: State Bank Bhawan Madame Cama Road, Nariman Point, Mumbai- 400 021 India
Tele: +7 095 957 5758 Fax: +7 095 747 3758	Tele: +91 22 2202 6962 Fax: +91 22 2202 2059

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372. Memorandum of Understanding between Bank of Foreign Economic Affairs of the USSR (VNESHECONOMBANK) State Specialized Russian Export – Import Bank (Eximbank of Russia) and Export Credit Guarantee Corporation of India Ltd. (ECGC).

New Delhi, December 3, 2004.

This Memorandum of Understanding (Memorandum) is made on 3rd December, 2004

between :

1. BANK FOR FOREIGN ECONOMIC AFFAIRS of the USSR (VNESHECONOMBANK), 9, Akademica Sakharova Prospect, Moscow, 107996, the Russian Federation;

2. STATE SPECIALIZED RUSSIAN EXPORT- IMPORT BANK, closed Joint- Stock Company, (EXIMBANK OF RUSSIA), 13, 3rd Neopalimovsky per, Moscow, 119121, the Russian Federation; and

3. EXPORT CREDIT GUARANTEE CORPORATION OF INDIA Ltd. (ECGC), Express Towers, 10th Floor, Nariman Point, Mumbai 400021, Republic of India,

Hereinafter all together referred to as the "Parties" and each separately as the "Party".

WHEREAS

(a) A Concept of the Russian export credit scheme was approved by the Government of the Russian Federation by Decree dated October 14, 2003 No1493-p

(b) Vnesheconombank is a specialized state bank responsible for serving Russian Government programmes both within and outside the Russian Federation, including but not limited to the establishment of the efficient governmental mechanisms of promoting Russian exports

(c) Eximbank of Russia is a core institution in the Russian export credit scheme, the export credit agency responsible for implementing mechanisms to promote Russian exports including (among other things) extending loans

to creditworthy entities in order to facilitate exports of Russian exporters to foreign purchasers. The principal and controlling shareholder (94.64%) of Eximbank of Russia is Vnesheconombank

(d) Export Credit Guarantee Corporation of India Limited is a company wholly owned by the Government of India and provides a range of credit risk insurance covers to exporters against loss of in export of goods and services and also by offering guarantees to banks and financial institutions to enable exporters obtain better facilities from them

(e) The Parties have agreed to promote projects in third countries involving Russian and Indian goods and services and to increase co-operation in the field of export finance, guarantees and insurance in accordance with the terms set forth below.

NOW IT IS HEREBY AGREED as follows:

Article 1
Cooperative Arrangements

1.1 The Parties responsible for implementation of bilateral Russian-Indian projects under this Memorandum may identify such projects in third countries where it is intended that both Russian and Indian goods and services be supplied.

1.2 When all Parties provide export credit support directly for a project in a third country, VNESHECONOMBANK and EXIMBANK OF RUSSIA will support the sale of Russian goods and rendering services under their loan and guarantee programmes and ECGC will support the sale of Indian goods and rendering services under its guarantee and insurance programmes.

1.3 The terms and conditions of any support provided by a Party will be subject to that Party's programmes, policies and national procedures prevailing at such time, including all relevant policies with respect to the third country in which a project is located.

1.4 All Parties will apply their own documentation and enter into their own arrangements with recipients of their export credit support.

1.5 When co-operative arrangements are made in respect of a particular project, the Parties will seek to co-ordinate remedial efforts if payments

under or the financing of the project fall into default, provided that each Party shall retain control over the enforcement of its respective claims.

1.6 The Parties hereby agree that there is no requirement upon other Parties to provide support for any particular project as a result of this Memorandum.

Article 2
Information Exchange

2.1 Each Party agrees to provide the other with details of any proposed project covered by this Memorandum subject to the agreement of the suppliers and financial institutions involved and to any other applicable confidentiality agreements or obligations.

2.2 Whilst evaluating, approving, documenting and negotiating any transaction where the Parties are contemplating a co-operative arrangement as envisaged by this Memorandum, each Party agrees to share relevant information on the transaction with the other Parties.

Article 3
Confidentiality

Subject to the applicable rules governing disclosure of information by the Parties, each Party shall:

3.1 Share with the other Parties all pertinent information about each operation in which the Parties intend to cooperate pursuant to this Memorandum, except for such information which either Party determines at its own discretion to be confidential; and

3.2 Keep confidential all information shared in accordance with this Memorandum and shall not disclose any such information to any third party unless permitted in writing by the other Parties. Such permission shall not be unreasonably withheld. In any case each Party may disclose the information shared in accordance with this Memorandum without prior written approval by the other Parties if:

i) required by law;

ii) required by a court of competent jurisdiction or by another appropriate regulatory body;

iii) it is necessary for any legal proceeding related to the joint projects in which each Party is involved: and

iv) it is necessary in order to comply with each Party's company policy, provided that the Party concerned shall immediately inform the other Parties of such obligation or request so that the other Parties may seek appropriate remedies, and provided further that, in any event, the Party concerned shall only furnish that portion of confidential information which it is legally compelled to .disclose and only to a person or entity legally authorized to receive such information.

Article 4
Consultations

4.1 The information exchange envisaged in Article 2 may include appropriate consultations to discuss technical matters regarding any potential project in a third country.

4.2 Each Party may propose consultation meetings to share expertise and experience on specific issues and to expand co-operative activities in areas of common concern.

Article 5
Miscellaeous

5.1 The cooperative arrangements provided for in this Memorandum will be reviewed periodically at the request of any Party to consider whether any enhancements to such arrangements can be made.

5.2 This Memorandum will be in effect until the Parties otherwise or one of the Parties gives at least three months written notice of its wish to terminate it. The written notice comes into effect upon receipt thereof by the recipient and shall not affect the commitments already undertaken.

5.3 This Memorandum is however only a statement of intent and sets forth no legal duties or obligations with respect to each Party.

5.4 This Memorandum is executed in three counterparts, each of which will be deemed as an original, and all of which will together constitute one and the same Memorandum.

5.5 This Memorandum becomes effective on the date of its signing by the Parties.

Signed on 3rd December, 2004.

Duly authorized For and on behalf of	Duly authorized For and on behalf of	Duly authorized For and on behalf of
Sd/- VNESHECONOMBANK	Sd/- Eximbank of Russia	Sd/- ECGC
Mr. Vladimir Dmitriev	Mr. Nikolay Gavrilov	Mr. P. K. Dash
Chairman	Chairman	Chairman and Managing Director

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373. Memorandum of Understanding between Joint Stock Company STROYTRANSGAZ and Gas Authority of India (GAIL).

New Delhi, December 3, 2004.

This Memorandum of understanding (herein after referred as the ("MOU")

between

Gail (India) Limited

a body corporate organized and existing under the laws of the Republic of India and having its registered office at the address: GAIL Bhawan, 16,Bhikaiji Cama Place, R.K. Puram, New Delhi, lndia (hereinafter referred to as "GAIL" which expression shall, unless repugnant to the context or meaning thereof, include its successors and permitted assigns);

AND JOINT STOCK COMPANY "**STROYTRANSGAZ**",

a body corporate organized and existing under the laws of the Russian Federation and having its registered office at the address: Russian Federation, Orel, Moskovskaya Str., 29 (hereinafter referred to as "STG"

which expression shall, unless repugnant to the context or meaning thereof, include its successors and permitted assigns);

Each individually referred to as a "Party" and collectively the "Parties".

WHEREAS GAIL is the largest natural gas transmission, distribution, marketing and gas processing company in India and has diversified operations in other integrated energy and petrochemical activities. GAIL is also playing a pioneering role in the retail marketing of gas to residential, commercial, small industrial sectors as well as CNG for the transport sector in India.

WHEREAS STG is a construction company acting in the gas and oil industry in the Russian Federation and worldwide, and implementing Projects in the field of design and construction of pipeline systems, facilities of oil and gas production, underground gas storages, upgrading and renovation of line and booster stations; and

Now Therefore this Memorandum of Understanding Witnesseth as follows:

I. Objective of this MOU

1. The objective of this MOU is to express the intent of GAIL and STG, to cooperate to their mutual advantage, in pursuing economically attractive pipeline and underground storage projects in India, Russia and third countries, covering EPC, O &M and projects to be implemented under BOO, BOOT or any other similar approach.

2. Both Parties agree to participate in the forthcoming projects in India, Russia and third countries by forming a Consortium (JV) and the risks and rewards in the Projects will be shared by each of Consortium members in proportion to their participation of the total cost of the Project which would be mutually agreed.

3. Both parties will provide assistance to each other in business development in the countries where each party is operating.

II. Understanding

1. The Parties agree to work together and the terms and conditions for each project shall be decided on a case to case basis at the time of pursuing the Project.

2. The Parties agree to provide and exchange such technical, commercial, financial, legal, real estate, regulatory and Governmental information, related to the Project, as may be available and required. Both parties agree to hold confidential any information provided by the other party both during and after the period of this MOU except for compliance of the directions or orders by the statutory, governmental and judicial authorities.

3. Each party shall retain the option under this MOU to decide the percentage of participation in the Consortium (JV), which may be formed for each individual project. In case any other company/companies are to be included in the JV, the same will be jointly decided including the terms of such participation.

4. All expenses incurred by Parties in connection with the bidding/ development of any Project shall be to the account of each Party unless agreed to the contrary.

5. Each Party shall retain its own autonomy and each Party shall be responsible for the liability and risks related to its own operation under the term of this MOU.

6. No claims, demand, action, causes of action, damages and/or losses shall be made by either Party against the other Party as a result of issues related to this MOU.

7. Each Party shall not assign or transfer, to a third party the rights arising from this MOU, unless agreed in writing by the other Party.

8. This MOU has been entered into in good faith and both Parties will make their best efforts to act in accordance with the terms and conditions agreed upon.

9. Any amendments to this MOU shall be valid only after confirmation by a duly executed supplement agreement by both Parties.

10. The Parties shall amicably solve all disputes arising hereunder by way of mutual agreements.

This MOU shall come into force from the date of execution by both parties and shall be valid for a period of Three (3) years thereon ,and may be extended further on mutually agreed terms and period.

III. NOTICES

All notices and communications by one signatory to the other signatory shall be delivered to the address for

GAIL (India) Limited
Bhikaji Cama Place, R.K.Puram, New Delhi, India.
The postal index: 110066.
The addressee: Mr. Rajeev Khanna,
Executive Director, Business Development & J.V
Tel.: 00 91 11 26170128
Fax: 00 91 11 26185941 571#
E-mail: rkhanna@gail.co.in

Stroytransgaz
C-43, Anand Niketan, New Delhi-110021
India
The Addressee: Mr. Planton Rychkov
Dy. Director General
Tel: 0091-11-2412-29-00/01/02/03
Direct: 0091-11-242-29-05
Mobile: 981121716
Fax:0091-11-2412-29-04
Email: stgindia@list.ru

This MOU shall be made in two original counterparts both of each are to be treated as valid and effective.

Agreed and accepted
For and on behalf of STG
(Victor Larents)
President

Agreed and accepted
For and on behalf of GAIL
(Proshanto Banerjee)
Chairman & Managing Director

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SERBIA AND MONTENEGRO

374. Press release of the Ministry of External Affairs on India-Serbia and Montenegro Foreign Office Consultations.

New Delhi, December 3, 2004.

The fourth round of Foreign Office Consultations between India and Serbia and Montenegro was held in New Delhi on December 2, 2004. The Serbia & Montenegro side was headed by H.E. Mr. Dusan Crnogorcevic, Assistant Minister, Ministry of Foreign Affairs and the Indian side by Smt. Shashi U. Tripathi, Secretary (West)), Ministry of External Affairs.

During the Consultations, the two sides had a comprehensive review of bilateral relations as well as regional and international issues of common concern. Various initiatives to promote bilateral relations were discussed.

The visiting dignitary called on Shri Rao Inderjit Singh, Hon'ble Minister of State for External Affairs. He also met senior officials at the Ministry of Commerce and Industry and delivered an address at the United Services Institute.

Relevant to note that the two way trade between India and Serbia & Montenegro was US$ 32 million in 2003.

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SLOVAKIA

375. Speech by President Dr. A.P.J. Abdul Kalam at a banquet in honour of the Slovakian President Dr. Ivan Gasparovic.

New Delhi, December 13, 2004.

It is indeed a great honour and privilege for me to receive Your Excellency as the first President of the Slovak Republic to visit India. The continental divide between us in geographical terms is bridged by our shared values, traditional bonds, democratic credentials and, above all, the concern for the welfare of our peoples. Your visit will bring our two countries closer by providing a much-needed qualitative and quantitative boost to our relations.

Slovakia has played an important role in world history. Its central location in Europe placed it in the hub of many socio-political and economic developments in the last century. The confluence of different crosswinds in Slovakia had its reverberations in India too. As you know, Pandit Jawaharlal Nehru and his daughter, Indira Gandhi, both of whom later became Prime Ministers of India, visited your country in August 1938. Pandit Nehru's description of this visit is quite fascinating. In fact, the memory of this visit has been thoughtfully kept alive by a commemorative plaque at the "Glavnaya Namestie" - the heart of your capital city.

Your fascination with India is a part of a rich Slovak tradition dating back at least two centuries. Slovak litterateur Tomaskov made compositions in Sanskrit in the 19th Century. Manuscripts of Portuguese voyages to India are preserved in the Slovak Academy of Sciences. Mahatma Gandhi was highly regarded in Slovakia and his works on non-violence were published in the Slovak language. Klacko utilized his assignment as Czechoslovak Consul General in India in 1946-47 to translate Indian fairy tales into the Slovak language. Noted film director, Kubenko travelled to India and made documentaries on Indian artists. The Oriental Institute in Bratislava conducts research in Indian literature and philosophy. This centuries old interest shows how deep our relations have been. I believe that this spirit lives on and we see these sentiments reflected in the friendship and solidarity amongst our people.

Excellency, we in India greatly admire the peaceful and non-violent manner in which your country emerged as an independent nation. L'udovít

Štúr, who stirred Slovak nationalism in the nineteenth century, expressed his philosophy in one sentence: "My country is my being, and every hour of my life shall be devoted to it." The creation of an independent Slovakia is the fulfillment of the dream, which engulfed his passion throughout his life. Freedom brings the challenges of nation-building and fulfilling the aspirations of the people. Both our countries are engaged in addressing these challenges. Your country has achieved commendable progress on this front.

Your visionary leadership has contributed greatly to the transformation of the Slovak Republic from a fledgling new entity to a mature State, which has integrated itself into the Euro-Atlantic institutions in a matter of 12 years.

Excellency, our contemporary relationship is multi dimensional, comprehensive and broad based. We, in India have followed with great interest the sweeping changes in Slovak society over the last decade. India has also pressed ahead with its programme of economic reforms and liberalization. According to the latest World Bank statistics, India is the world's fourth largest economy on purchasing power parity basis. The World Bank rates Slovakia the world's top performer for improving its investment climate and today Slovakia is widely seen as Europe's fastest reformer. This provides us with new opportunities to expand and diversify our cooperation, which has for various reasons so far remained unexploited. The present level of our two-way trade does not reflect the true potential, which exists in this area. I would suggest that we set a target of one billion dollars of bilateral trade to be achieved over the next four years.

Your membership of the European Union too opens up fresh opportunities for intensifying economic interaction and forging new synergies based on the complementarities of our economic strengths. Here I would like to give the example of the Tatra truck manufactured in your country, which is a remarkable vehicle and has rendered excellent service in our defence sector. I was very happy to note that a joint venture plant is now coming up near Delhi, which will manufacture Tatra vehicles with your cooperation for civilian use.

Both India and Slovakia need to build a suitable structure of joint cooperation on the foundations of our core competencies. The areas of Banking, Tourism and especially Eco-tourism seem to offer good possibilities of joint ventures. The strength of Slovakia in the field of automobiles is well known. We also have a vibrant automobile industry and this synergy can be harnessed to mutual benefit. Your interaction and that of your Ministers with the business and industry in India, coupled with the presence of a

large business delegation, should surely lead to the consolidation of our trade and economic ties and the start of some good joint venture projects. India, on its part, is fully committed to providing the necessary encouragement to the new initiatives that may emerge during these meetings.

In the scheme of bilateral relations, an important factor that is often overlooked is people-to-people contacts. The recent start of Air Slovakia flights to India is one positive development, which will give a boost to these contacts. Our excellent relations are not only about business and trade but also about the renewal and sustenance of contacts at all levels. To this end, I am convinced that Your Excellency's visit would further augment people to people contacts between our two friendly countries. I am confident that the agreements, which have been signed during your visit, will give an impetus to furtherance of our ties in economic, commercial, cultural and arts areas.

India and Slovakia are fortunate in developing a political leadership based on the values of freedom, dignity of the individual and respect for diversity and pluralism.

These shared ideals allow us to understand each other's concerns and aspirations and to work in multilateral fora in pursuit of common objectives. I am heartened Your Excellency, by the Slovak Republic's understanding of India's desire to be given its due representation in global policy making. I am equally encouraged by your sensitivity towards our concerns about terrorism, which has taken such a high toll on our society.

Your visit will remain a landmark in the history of bilateral relations of our two countries. I am confident that we will continue to work together and take our traditional friendship to new heights of cooperation.

Excellencies, ladies and gentlemen, may I now request you to join me in a toast to the:-

health and well being of His Excellency President Gasparovic and Madam Silvia Gasparovicova;-

further strengthening of the multi faceted cooperation between India and Slovakia; and-

abiding friendship between the peoples of our two countries

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376. AGREEMENT on Economic Cooperation between the Ministry of Commerce and Industry of the Republic of India and the Ministry of Economy of the Slovak Republic.

New Delhi, December 13, 2004.

The Ministry of Commerce and Industry of the Republic of India and the Ministry of Economy of the Slovak Republic

Hereafter referred to as "the Parties",

Inspired by the traditional links of friendship and cordial relations, which exist between the Republic of India and the Slovak Republic,

Desirous of developing and intensifying their economic, industrial, technical and technological cooperation on the basis of reciprocity and mutual benefit,

Conscious of the necessity of existence of an adequate legal framework for Indian –Slovak relations in accordance with the applicable legislation and regulations in the two countries

Have agreed as follows:

Article 1
Objectives

The Parties agree that the objectives of the Agreement, in accordance with laws and regulations in force in each country, are to:

- Promote activities aimed at the development of bilateral economic, technical and technological cooperation,
- Support and develop business contacts,
- Facilitate the expansion of bilateral investment and identification of economic and investment opportunities in their respective countries,
- Reinforce cooperation for the enhancement of economic relations between the two countries.

Article 2
Economic Cooperation

The Parties share a commitment to the principles of free market

economy. They consequently agree to encourage and facilitate greater cooperation between their natural and legal persons including business associations, institutions and agencies, in accordance with laws and regulations in force in each country. To this end, they agree to:

1. Exchange information on economic development and bilateral trade, economic plans, forecasts, and strategies,

2. Inform each other of existing possibilities concerning trade fairs, exhibitions, entrepreneurial missions and other promotional activities,

3. Facilitate an exchange of experts, technicians, investors, and business representative of the public and private sectors, and

4. Explore and promote joint business possibilities in third countries arising from partnership between Indian and Slovak companies.

Article 3
Institutions

1. The present Agreement sets up a Joint Economic Committee, hereafter referred to as "the Committee", comprised of representatives of the Ministry of Commerce and Industry of the Republic of India and the Ministry of Economy of the Slovak Republic to accomplish the objectives of this Agreement.

2. The meetings of the Committee shall be convened once a year alternately in India and Slovakia, the date and place of the meeting shall be mutually agreed upon by representatives of both parties.

3. The duties of the Committee shall comprise, in particular, the following:

- Discussions on the development of bilateral economic relations;
- Identifying new possibilities for further development of economic cooperation;
- Drawing up suggestions for the improvement of terms of economic cooperation between enterprises of both countries; and
- Making recommendations for the implementation of this Agreement

4. The Committee shall be composed of experts of the two Parties and

representatives of relevant organisations and institutions.

5. At the conclusion of the Meeting, an Agreed Minutes prepared by the host delegation shall be agreed upon and signed by both heads of delegations.

Article 4
Final Provisions

1. Concerning the Slovak Republic this Agreement may not be interpreted in such a way as to affect in any way the obligations arising from its membership in the European Union.

2. This Agreement shall enter into force on the day of its signature by both Parties.

3. The Agreement shall remain in force until the expiration of six months from the date on which either Party receives from the other Party a written notice of its intention to terminate the Agreement.

4. This Agreement may be amended or altered at any time by a written agreement of the Parties.

IN WITNESS WHEREOF the following representatives duly authorized thereto by their respective Authorities have signed the Agreement.

DONE at New Delhi on 13 December 2004, in two originals each in Hindi, Slovak & English languages, all texts being equally authentic. In case of any divergence in interpretation the English text shall prevail.

For the Ministry of Commerce & Industry of the Republic of India	For the Ministry of Economic Solvak Republic
Sd/-	Sd/-
Shri E.V.K.S. ELANGOVAN,	Mrs. EVA SIMKOVA,
MINISTER OF STATE FOR	STATE SECRETARY OF
COMMERCE and INDUSTRY	ECONOMY

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377. Programme of Cooperation between the Government of the Republic of India and the Government of the Slovak Republic in the field of Culture and Arts for the period 2004 to 2007.

New Delhi, December 13, 2004.

The Government of the Republic of India and the Government of the Slovak Republic (hereinafter referred to as "the Parties");

striving to develop co-operation and strengthen mutual relations between both nations;

recalling the Agreement between the Republic of India and the Slovak Republic on co-operation in the fields of culture, arts, sciences, tourism, sports and mass media signed in New Delhi on 11 March, 1996, which came into force on 12th March, 1997.

Have agreed as follows:

1. Art and Culture

I. 1 During the term of validity of this Programme, both the Parties shall exchange artistic ensembles consisting of ten(I0) to fifteen (15)persons for a period no longer than 10 days. The exact number, date and duration of these stays shall be agreed between the Parties through diplomatic channels.

1.2 Both the Parties shall support co-operation between writers, translators and publishers in order to learn about each other and enrich their countries, and they shall support the translation and publishing of literary works by authors of the other Party.

1.3 Both the Parties shall inform each other of opportunities to participate in international book fairs organized on a commercial basis in the country of the other Party (in New Delhi and Biblioteka, Bratislava).

At the same time they shall make this information available to entities interested in book culture in their respective countries.

1.4 Both the Parties shall support co-operation between museums and art galleries from their countries and shall support the regular exchange of

specialized exhibitions, mutual exchange of publications of catalogues and coloured reproductions of works of art. The details can be worked out between the National Museum of India and the National Museum of Slovak Republic later through mutual consultations.

1.5 The Slovak Republic shall send an exhibition of puppets in costumes accompanied by an expert, whose visit can also function as a study stay on reciprocal basis.

1.6 The Indira Gandhi Rashtriya Manav Sangrahalaya shall send, for a period not exceeding three weeks, an exhibition on nomads in India accompanied by an expert from the Museum, who will give lectures on the theme in Slovakia.

1.7 Both the Parties shall support co-operation between their national museums, in particular the Slovak National Museum in Bratislava and IGRMS in Bhopal in the field of museum studies on collecting and exchanging exhibitions and cultural objects, especially those concerning traditional and disappearing lifestyles.

1.8 The Sangeet Natak Akademi, New Delhi and the SMM (Slovak Musical Museum) shall exchange an exhibition of traditional musical instruments. Details of such exchanges shall be agreed through diplomatic channels.

1.9 Both the Parties shall support the exchange of two experts each .in the field of museum management and methodology. The length of stay and schedule shall be specified in detail through diplomatic channels.

1.10 During the period of validity of this Programme, both the Parties shall each strive to study the latest trends in the field of cultural science, cultural anthropology, folk, culture and methods for their- preservation.

1.11 Both the Parties shall strive to exchange one expert each from the field of archaeology, epigraphy, conservation and restoration of museum collections, for a period not exceeding fifteen days.

1.12 Both the Parties shall support direct co-operation between institutions engaged in the care of cultural heritage monuments and historic sites and in-particular, in the field of exchange of information and promotional materials as well as information seminars and conferences under preparation.

1.13 Both the Parties shall support the exchange of information, direct co-operation and contacts between libraries from their countries.

1.14 Both Parties shall exchange microfilms, microfiches copies of manuscripts of artistic, human and cultural heritage, reprographic copies of photographs, slides and other materials concerning the cultural heritage I of their countries. The Slovak Party shall provide relevant materials for the National Informatics Centre (NIC) and the database of the Indira Gandhi National Centre for Arts (IGNCA).

1.15 During the period of validity of this Programme and within establishing contacts in the field of theatre arts, the Slovak Party shall initiate and implement a theatrical exhibition in India (e.g. Slovak T*h*eatric Poster, Puppet Theatre in Slovakia) on reciprocal basis.

I.16 Both the parties shall support co-operation in the field of musical arts through direct co-operation between musical institutions in the fields of musical festivals, providing information materials, audio recordings and scores with special emphasis on the production and performance of contemporary composers and traditional music.

II Mass-Media

II.1 Both the Parties shall support co-operation in the field of film arts between film archives, cinematographic producers, film distributors and cinematographic institutions through an exchange of films and mutual participation in important film festivals and shows organized by the other Party,

II.2 Both the Parties shall assist each other in customs clearance in matters concerning the import and export of films.

III Miscellaneous

III. I The terms and conditions of each specific case shall be agreed through diplomatic channels. Any dispute in relation to interpretation of implementation of this agreement shall be settled through negotiations between both Parties.

111.2 This Programme shall not exclude the possibility to organize other events and exchanges agreed to by both Parties.

III.3 The expiration of validity of this Programme shall have no effect on the events implemented on its basis. The provisions of this Programme shall govern these till they are completed provided both the Parties agree otherwise.

111.4 "General and Financial Conditions" appended to this programme shall form an integral part of this Programme.

111.5 This Programme shall enter into force on the date of its signature and shall remain valid until 31st December, 2007.

Done at New Delhi on 13th December, 2004 drawn up in three originals, each in Hindi, Slovak and English languages, all texts being equally authentic. In case of any divergence in interpretation, the English text shall prevail.

For the Government of The Republic of India	**For the Government of The Slovak Republic**
Sd/-	**Sd/-**
(Rao Inderjit Singh)	**(Ivan Korcok)**
Minister of State	**State Secretary**
Ministry of External Affairs	**Ministry of Foreign Affairs**

ANNEXURE

THE PROGRAMME FOR CO-OPERATION BETWEEN THE GOVERNMENT OF THE REPUBLIC OF INDIA AND THE GOVERNMENT OF THE SLOVAK REPUBLIC IN THE FIELD OF CULTURE AND ARTS FOR THE PERIOD 2004-2007.

With regard to the implementation of the Programme for co-operation between the Government of the Republic of India and the Government of the Slovak Republic in the field of culture and arts for the period 2004-2007 and after negotiations on general and financial issues relating to this Programme, the Parties have agreed as follows:

Exchange of persons under this Programme shall be carried out under the following conditions, if not otherwise agreed by the Parties.

The sending Party shall cover,
* expenses for international transportation to and from the destination
* insurance coverage
*domestic transportation

The receiving Party shall cover,
* Local Transport

* boarding and lodging

* spending money in compliance with national legal regulations.

II. Exchanges of exhibitions shall be carried out on the basis of conditions and principles arising from agreement signed individually for each exhibition.

The sending Party shall cover,
* costs for transportation of exhibits to and from the receiving country
* insurance cover for exhibits during their transportation
* travel expenses insurance coverage for the exhibition commissioner.

The receiving Party shall cover,
* costs for installing and dismounting exhibition, leasing exhibition area, promotion and insurance coverage during exhibition.
* Accommodation, per diem expenses and spending money for exhibition commissioner in ***c***ompli<u>i</u>ance with national legal regulations.

Both Parties shall provide technical data for their exhibitions (list of exhibits, promotional material, etc.) and send them to the receiving Party not later than six weeks before the opening of the exhibition.

III. General conditions

a) For exchanges of persons under this Programme, a knowledge of the English language is necessary.

b) The sending Party shall provide all necessary data on members of its delegations, groups and individuals visiting the country of the other Party, including Information on their arrival time, personal data, etc. at least three months in advance.

c) The receiving Party shall acknowledge acceptance six week before departure. The exact time of arrival shall be confirmed at least two weeks before the arrival date.

(d) If circumstances prevent any person from leaving at the specified time, then the new date of departure shall be determined by the agreement of both parties.

(e) The Parties shall assist with applications for long term permits for stays under this programme or its extension, where appropriate, in the receiving country.

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378. Memorandum of Understanding between National Small Industries Corporation Ltd. (NSIC), India and National Agency for Development of Small and Medium Enterprises (NADSME), Slovakia.

New Delhi, December 13, 2004.

This Memorandum of Understanding is made and entered into between the **National Small Industries Corporation Ltd**., having its registered office at Okhla, New Delhi, India (hereinafter referred to as "**NSIC**"), and **National Agency for Development of Small and Medium Enterprises**, having its registered office at Zahradnicka 153, 821 08 Bratislava 2, Slovak Republic (hereinafter referred to as "**NADSME**").

Article 1
Objective of the MoU

The objective of this Memorandum of Understanding is to promote close relations between the small and medium-sized industries of both countries, The parties agree to cooperate to promote co-production, technology transfer and investment between Indian and Slovak Small and Medium sized Enterprises (SMEs).

Article 2
Areas of Co-Operation

For the purpose of the above Object, both sides agree to cooperate as follows on mutually agreed terms:-

1. NSIC and NADSME shall exchange available information, which is relevant to the enhancement of business cooperation between the industries of both countries such as technology transfer and joint venture opportunities.

2. NSIC and NADSME shall provide follow up services ranging from identification of suitable partners to signing of co-operation contracts between small-scale industries of both the countries within the capacity (considering rules) of both organizations.

3. NSIC and NADSME will arrange and exchange visit of representatives from each organization to facilitate an in-depth understanding of each other's roles and to gain an overview of industries of both the countries. During the visit, representatives will be introduced to key trade and technological contacts in India and Slovakia.

4. Upon mutual cooperation, NSIC and NADSME shall prepare and help to carry out promotional events, symposia, seminars for businessmen and exchange of delegations.

5. NSIC and NADSME shall treat all information that is obtained from the other party concerning specific companies and/or projects pursuant to this cooperation as strictly confidential and will use the information only for the purpose of the business co-operation described herewith.

6. To implement this cooperation, regular contacts will be made between the Head Office of NSIC in Delhi and NADSME in Bratislava.

7. This Memorandum of Understanding does not have the force of a legal agreement.

Article 3
Final Clauses

This MoU shall come into effect on the date of its signing by both the parties and shall continue to remain in force unless terminated by either party by giving a written notice of its intention to terminate to other at least one (1) month in advance.

IN WITNESS WHEREOF, this Memorandum of Understanding has been executed by the duly authorized representatives of NSIC and NADSME.

Signed at New Delhi, India in two originals in English on 13th December 2004.

For the NSIC
Sd/-

Chairman-cum-Managing Director
National Small Industries Corporation
New Delhi India
SHRI RAJIV BHATNAGAR

For the NADSME
Sd/-

Director General
National Agency for Development
Small and Medium Enterprises
Slovakia
MR. LUDOVIT BALCO.

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379. Joint statement issued at the end of the visit of Slovak President Dr. Ivan Gasparovic to India.

New Delhi, December, 15, 2004.

At the invitation of the President of the Republic of India, Dr. A.P.J. Abdul Kalam, the President of the Slovak Republic Dr. Ivan Gasparovic paid a State visit to the Republic of India from 11-15 December, 2004.

2. President Gasparovic was accompanied by Madame Silvia Gasparovicova, State Secretary of Foreign Affairs Ivan Korcok, State Secretary for Economy Eva Simkova, and State Secretary of Defence Martin Fedor. The large accompanying business delegation underscored the importance the two countries attach to expanding their economic relations.

3. During the visit, Dr. Gasparovic met with the President of the Republic of India Dr. Abdul Kalam and held talks with Prime Minister Dr. Manmohan Singh. He also held separate meetings with the Vice President, Bhairon Singh Shekhawat, Defence Minister Pranab Mukherjee, External Affairs Minister K. Natwar Singh, and Minister for Commerce and Industry, Kamal Nath. President Gasparovic also visited Mumbai, Jaipur and Agra. In Delhi and Mumbai, President Gasparovic had meetings with captains of Indian business and industry, in particular Confederation of Indian Industry (CII), Federation of Indian Chambers of Commerce and Industry (FICCI) and the All India Association of Industries (AIAI). In Delhi, the President of Slovakia participated in a ceremony to name a street after the famous Slovak leader Alexander Dubèek. The Honorary Consulate of the Slovak Republic was also opened in Mumbai in the presence of the President of Slovakia.

4. The Presidents of the Slovak Republic and the Republic of India held extensive talks in an atmosphere of traditional friendship and understanding. These talks covered the entire gamut of bilateral relations as well as detailed exchange of views on regional and international issues of mutual interest. While reiterating their keenness to develop the bilateral relations further, they emphasized the need to promote bilateral trade and economic exchanges. Both sides attached great importance to strengthening their long-term cooperation in the political, defence, economic, commercial, cultural and science and technology areas.

5. Both sides expressed their satisfaction over the progressive expansion

and deepening of Indo-Slovak relationship in several spheres. They agreed to increase the frequency of bilateral visits by Ministers and officials and to consolidate the ties between business communities of the two countries[1].

6. Both sides considered the ways for deepening bilateral cooperation so as to realize the untapped potential for mutual benefit. In this context, both sides emphasized the importance of optimal utilization of the existing bilateral mechanisms such as the Indo-Slovak Joint Committee on Economic and Commercial Cooperation and the Indo-Slovak Joint Business Council. They noted with satisfaction that the fifth Session of the Indo-Slovak Joint Committee on Economic and Commercial Cooperation held in Bratislava in October 2004 has made positive contribution in this regard.

7. During the current visit, the following bilateral documents were signed:

I) Economic Cooperation Agreement;

ii) Programme of Cooperation in the field of Culture and Arts for the period 2004-2007;

iii) Memorandum of Understanding between the National Small Industries Corporation Ltd. (NSIC) and the National Agency for Development of Small & Medium Enterprises (NADSME)

8. Both sides strongly condemned terrorism in all its forms and manifestations. Terrorism undermines the very foundation of freedom and democracy and endangers the continued existence of tolerant, open and democratic societies. Both sides reaffirmed that no cause can justify terrorism. Consequently, there cannot be any compromise in the war against terrorism. Both sides reiterated their commitment to continue their fight against terrorism. They agreed that combating terrorism has to be a comprehensive and sustained effort.

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1. Official Spokesperson of the MEA Navtej Sarna while announcing the visit of the Slovak President told the media on December 10 that "India and Slovakia have had traditionally warm relations. India was one of the first countries to recognize the Slovak Republic and open a resident mission in Bratislava.....The bilateral trade in 2003-04 stood at US $ 26.0 million – a figure which does not reflect the full potential provided by the fast-growing economies of both India and Slovakia. In recent times, Slovak economy has become an attractive destination for foreign investments, especially in automotive sector. Bilateral economic structures include Joint Committee on Economic and Commercial Cooperation and Joint Business Council." It was noted that the Slovak President's visit would not only be the first by a Slovak leader to India but also the first by the head of a country that recently acceded to the European Union.

9. The Republic of India considers the Slovak Republic as an exceptionally friendly State and respects the political path chosen by the people of Slovakia. In this connection, the Indian side welcomed Slovakia's membership of the European Union with which India has recently entered into a strategic partnership. Indian side lauded Slovakia gaining higher international stature and economic profile, thereby contributing suitably to world peace and prosperity.

10. The Slovak side noted that India has always played an important role in the comity of nations. India, which is home to one sixth of humanity, has been in particular a leader in the developing world, producing numerous world leaders. Slovak side praised India as the world's largest democratic and secular country that was increasingly visible at global arena contributing to the world peace, stability and prosperity. The Slovak side also noted the growing success of India's economy in the past few years.

11. Both sides affirmed that the United Nations had an important role to play in dealing with present-day challenges. Consequently, it was imperative to reform the United Nations structure to bring the same in conformity with the global realities. They were of the view that India's permanent presence as a largest democracy in the world in an expanded UN Security Council would give it greater legitimacy and enhance its effectiveness.

12. The President of the Slovak Republic H.E. Dr. Ivan Gasparovic extended an invitation to the President of the Republic of India H.E. Dr. Abdul Kalam to pay a State visit to the Slovak Republic. The invitation was accepted with pleasure.

13. India and Slovakia believe that the State visit of President Gasparovic will further expand and enhance the framework of bilateral cooperation in various fields, and will contribute to strengthening the enduring friendship between the two countries.

14. The President of the Slovak Republic expressed sincere gratitude to the President and the Government of the Republic of India for the hospitality and the excellent organization of the visit to India by the Slovak delegation.

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SWEDEN

380. Press release of the Ministry of External Affairs on the Fourth Round of Indo-Swedish Foreign Office Consultations.

New Delhi, December 10, 2004.

The fourth round of Foreign Office Consultations between India and Sweden was held in New Delhi on December 9, 2004. The Swedish side was headed by H.E. Mr. Hans Dahlgren, Foreign Secretary and the Indian side by Smt. Shashi U. Tripathi, Secretary (West)), Ministry of External Affairs.

During the Consultations, the two sides had a comprehensive review of bilateral relations as well as regional and international issues of common concern. Both sides also reviewed the follow up of Swedish Prime Minister's visit in January this year.

The visiting dignitary called on Shri K. Natwar Singh, Hon'ble External Affairs and presented two replicas of the Nobel Prize in Literature presented to Gurdev Rabindranath Tagore in 1913 that had been stolen from Vishwabharati Museum earlier this year. He also called on Shri J N Dixit, National Security Adviser and exchanged views on issues of security and strategic relevance. Mr. Dahlgren delivered a Nobel Memorial Lecture at the United Services Institution of India.

The relations between India and Sweden have been substantive with trade registering a 45% growth last year at US$ 1.28 billion.

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UNITED KINGDOM

381. Joint press conference of External Affairs Minister Yashwant Sinha and British Foreign Secretary Jack Straw.

New Delhi, February 6, 2004.

Mr. Yashwant Sinha

We are very happy to welcome my dear friend and colleague Jack Straw, the British Foreign Secretary to India, to Delhi and to the meeting that we just finished. Our relationship with the UK is in the finest fettle. It is very friendly, very cordial and very strong. But we also have a challenge in there, and the challenge is to take it to a higher plane. That is exactly what the two Prime Ministers had discussed when they had met in Abuja during the Commonwealth Heads of Government meeting. They had tasked us to apply our minds to how we can take it to an even higher level. And that is exactly what Jack and I have discussed today, in the time that we have spent.

We have agreed that in all areas of cooperation - in the political area, in the economic area, in the cultural area, in all areas of our cooperation we will take steps to step up our cooperation. We have also identified high technology as the driving force of our relationship in future and we have agreed that we will work on some of these ideas in future; we will remain in touch and ensure that we fulfill the vision of the two Prime Ministers, of taking the relationship to a higher level in the next few months. I will also like to tell you that one of the signs of the strength of this relationship lies in the fact that we have been in very close touch with each other, at our level, at the level of the Heads of Government, the two Prime Ministers have been in very close touch, and that this proliferates, if I can use that word with due apologies, at every level. I am sure Mr. Straw will tell you more about it. But let me sum up by saying that we have had very useful, very productive and very friendly discussion on a number of issues and we will carry on over lunch.

Mr. Jack Straw

Thank you very much. Can I say how pleased and how delighted I am to be back here in Delhi. This is my fourth visit as Foreign Minister in

less than three years. I am delighted to see and share your hospitality my dear friend. The fact that it is not only I who is here this week but during the last seven days there have been five UK Ministers visiting here and ten MPs, emphasizes the depth and breadth of the relationship between UK and India. The relationship has, for historical reasons, always been a close one, but it has, sometimes, not been altogether easy relationship. As Yashwant has just said, it is in fine fettle now and I think it has never been more balanced, and more mutual. That is being underlined not only by the very important foreign policy cooperation in which we are engaged, but also by increasing balance and synergy in our trade and investment relationship, which is a relationship, both ways, of trade and investment, to the huge advantage of both UK and India. As Yashwant said we have had lengthy discussions already and we are going to continue our discussions over lunch. At the moment I will be happy to take questions.

Question: My question is to Mr. Jack Straw about the steps that have been taken by the Pakistan Government against Abdul Qadeer Khan who actually really represents the nuclear establishment. Your country along with United States invaded Iraq on grounds of proliferation by Saddam Hussein's regime. The yardstick that was used for Iraq is quite different from the yardstick that has been used for Pakistan.

Mr. Straw: It is different and if I may say so, I would just like to point out that the decision taken by the United Kingdom Parliament on the 18th of March in respect of Iraq was taken because we judged, as did US and quite a number of other countries, but I accept by no means all countries of the world, we judged that the breach of Resolution 1441, and the breach of previous mandatory resolutions of the Security Council, was so serious as to warrant the action that we took.

Question: Mr. Straw, Adam Mynott, BBC, on the Hutton issue….

Mr. Straw: I am here to discuss mutual relationships between India and the UK. It is certainly not to have a revival of the debate that took place on Wednesday on the Hutton report.

Question: That would be of maximum interest to Indians as well as others…

Mr. Straw: I doubt that very much, as a matter of fact. Well, in any event I am very happy to answer any question about the purpose of my visit to Delhi.

Question: My question is regarding Peter Bleach. On one side you say that your country is in the war against terrorism and at the same time you are asking for the release of Mr. Peter Bleach, who was convicted in India under the terrorist act. Why?

Mr. Straw: I have already expressed my gratitude to Mr. Sinha for the release of Mr. Peter Bleach, as I should be doing when I see Mr. Advani, the Home Minister and the Deputy Prime Minister. We recognize that it was a difficult decision for the Indian Government. Precisely because of the difficulties we are exceptionally grateful to the Indian Government for the decision, which I understand was based on humanitarian grounds and in no sense represents a pardon in respect of his conviction.

Question: Mr. Straw, Was the issue of including Pakistan in the Commonwealth also discussed? What is your understanding and what was India's response?

Mr. Straw: We did have a brief discussion about it. I think our understanding is the same, as it has to be, that this is not a matter of bilateral decision between India and United Kingdom. It would be decision, or not, taken in due course by the Commonwealth Ministerial Action Group (CMAG) and the Commonwealth as a whole.

Mr. Sinha: I think this point needs to be clarified that Pakistan's suspension from the Councils of Commonwealth gets reflected somehow as an India-Pak issue. It is not an India-Pakistan issue. We were not even in the Commonwealth Ministerial Action Group at that time in 1999 when Pakistan was suspended as a result of military takeover there. We got into the Commonwealth Ministerial Action Group subsequently. It is a group of seven Foreign Ministers and Nigeria, the current Chairman of the Commonwealth, is also there. So, eight Foreign Ministers meet and take a view. Therefore, it is not for Jack and me to decide here what is going to happen in the next meeting of the CMAG. Neither is it a bilateral issue between India and Pakistan. It is an issue of the Commonwealth and the CMAG when it meets will take a decision, as and when.

Question: Does that spoil your own assessment of Pakistan's proliferation activities? Secondly, you accept that one can draw a line now that what happened in the past and what is happening in Pakistan today confirms responsible behavior as a nuclear weapons state?

Mr. Straw: I am not going to comment on details, on the decision, I understand, that has been made by the Government of Pakistan. We in the UK, as permanent member of the Security Council and active member of the Board of Governors of the International Atomic Energy Agency, look to all countries in the world to observe their obligations under the Non-Proliferation Treaty. As you know in our work, not least with Libya and Iran, we do everything we can to ensure full compliance with that treaty.

Mr. Sinha: I really don't have much to say. Dr. Khan has been pardoned as we find. We do not know what the charges were against him because our system is different. In our system somebody is pardoned by the President, only when he goes through a legal process. I don't know what the system in Pakistan today is, but obviously there were some charges and the Pakistan Cabinet decided to recommend to the President that Dr. A. Q. Khan should be pardoned and the Pakistan President has pardoned him. Obviously, it appears to me that things will not stop here because it is not merely an internal matter of Pakistan. It is a matter which concerns the entire international community. Pakistan itself is not a signatory to the NPT but as Jack Straw said Libya and Iran are, and there are issues there which will have to be debated in the IAEA and elsewhere and resolved so that we have a more responsible behavior from countries which have nuclear capability.

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382. Media Bbiefing by Secretary (East) in the MEA Rajiv Sikri on the forthcoming visit of Prime Minister to UK and UNGA.

New Delhi, September 17, 2004.

Official Spokesperson : Good afternoon, ladies and gentlemen. It gives me great pleasure to welcome Secretary Mr. Rajiv Sikri, here for this special briefing on the forthcoming visit of the Prime Minister to the United Kingdom and to the UNGA.

May I request Mr. Sikri to address you and then we will take questions in our usual fashion.

Secretary (East) : Good afternoon, ladies and gentlemen.

The Prime Minister will be leaving on Sunday, the 19th of September for a visit to the United Kingdom and to New York. His one day visit to the UK will be followed by a week in New York where the Prime Minister would attend the 59th Session of the UN General Assembly.

Naturally, as has been the case with such visits in the past, in addition to the statement at the United Nations and the UN related engagements, the visit will provide an opportunity for the Prime Minister to interact with other Heads of State and Government who would be in New York at the same time. The visit would also provide an opportunity for the Prime Minister to interact with important US institutions and personalities and the Indian American community.

Let me just say a few words about the India-UK relations. India's relations with United Kingdom are substantive and multifaceted. They are important in the context of our shared historical ties, our growing economic linkages and the presence of a large community of Indian origin in the UK – about one and a half per cent of the total population. The bilateral relationship has been enriched by intensification of economic cooperation and several initiatives taken over the last few years seek to make the relationship future-oriented by increasing cooperation in promising areas such as information technology. In recent years there have also been increasing political interaction at the highest levels. As you are aware, Prime Minister Blair visited India in January 2002.

Prime Minister's visit to London will provide a useful opportunity to exchange views with UK on regional and international issues of mutual interest and concern. The UK is India's largest trading partner in the European Union. Our bilateral trade was about five billion pounds in 2001. The business organisations CII and the CBI, when they met in London a couple of years ago have set the ambitious target of doubling the trade turnover to 10 billion pounds by 2007.

UK is also one of the largest investors in India with an FDI of over three billion pounds and over eight hundred joint ventures. It is, I believe, the third largest investor in India. Investment is in important sectors like oil and gas, power, telecom, chemicals and so on. There are also some Indian investments in the UK and these are picking up very fast. India is the eighth largest investor in the UK.

The 59th Session of the UN General Assembly will be taking place against the backdrop of heightened debate about the role and relevance of the UN and its effectiveness in dealing with the issues facing the world today as well as the need for institutional reforms, the challenges faced by the UN in Iraq, Afghanistan, Middle-East, conflicts in Africa including the crisis in Sudan and the continuing concerns of global terrorism will also figure prominently in the deliberations of the UN General Assembly.

During the forthcoming Session, India's priorities will be to pursue India's initiatives and to safeguard our interests in the areas of UN reform, combating terrorism, nuclear disarmament, eradication of poverty, ensuring sustainable development, human rights and social development.

We will make positive contributions to the consideration of the agenda items relating to the implementation of the outcomes of major UN conferences and summits, and in particular on the measures for achieving the millennium development goals.

Of course, this is not, strictly speaking, a bilateral visit to the United States. But during his stay in New York, the Prime Minister will be meeting President Bush and also interacting with the other US institutions and personalities. I would just like to flag that India's relations with the US have made considerable progress. The first meeting between the Prime Minister and President Bush will take place on the 21st of September on the sidelines of the UNGA. It would provide a strong impetus, direction and momentum

to Indo-US ties. He would affirm the strategic partnership between India and the United States which is acquiring new dimensions. Both sides are seeking to expand their ties in the economic and technology fields. Naturally regional and international issues and matters of global security would also come up for discussion.

One can expect that the two leaders would indicate the direction for further expansion and prioritization of the relationship so that the full potential of the relationship can be realized.

Our Ambassador to the United States had presented his credentials to President Bush a couple of days ago and President Bush told him that he attaches high priority to ties with India. India also attaches high priority to development of relations with the United States.

I am sure you would be interested in some details of the programme. The Prime Minister reaches London on Sunday evening. He spends the better part of Monday the 20th in London. He will be meeting Prime Minister Blair and having a working lunch with him. There will also be a meeting with the selected high level CEOs of British companies and organisations, and a meeting with the Labour friends of India.

He reaches New York later that evening on Monday, the 20th. His address to the UN General Assembly is on the 23rd of September. He will also be speaking at the Council of Foreign Relations, an event being organized by the Council of Foreign Relations, the Colombia University, the Asia Society, Centre for Advanced Studies of University of Pennsylvania.

There will be some opportunities for him to interact with and address the Indian American community. There are likely to be, as is normal on such visits, some bilateral meetings with other leaders. I have already mentioned about President Bush. There will also be, as we anticipate, meetings with Presidents of Pakistan and Afghanistan. These are the ones that are being looked at.

Prime Minister leaves on Sunday the 26th. After a technical stop over en route, he arrives back on Monday the 27th of September.

Question : Is the next set of CBMs between India and Pakistan going to be announced in the next 48 hours? When would the Prime Minister meet President Musharraf?

Secretary (East) : We have just had the visit of the Foreign Minister of Pakistan not so long ago. That was preceded by meetings of the Foreign Secretaries and a whole series of bilateral meetings at different technical levels. India-Pakistan dialogue is a continuing process. We wish to maintain this dialogue. I cannot anticipate what will happen, I am only telling you what has happened.

Question : Will the NSSP agreement be announced during the meeting between the Prime Minister and President Bush?

Secretary (East) : I would not like to anticipate what is going to be the outcome of the discussions and the meetings. Those will be discussed, and you will hear about it when that happens. But obviously, the NSSP and our cooperation with the United States in various areas, all aspects of our relationship will figure.

Question : There is talk of tentative meetings between the Prime Minister and Heads of States of Germany, Japan and Brazil on the sidelines of UNGA. Is that happening? Secondly, what is our position on the expansion and permanent seat for India on the UN Security Council? I say this because there is a draft which is doing rounds for giving a semi-permanent seat to some of these countries.

Secretary East : Yes, there is a proposal made by Japan to organize a meeting of the leaders of Brazil, Japan, Germany and India. It is likely that this will take place. These are four major countries who have the capacity to contribute significantly to the UN, and are ready to shoulder this responsibility. The UN reform is a matter which has been occupying the attention of the world community including the UN for quite some time now. We think that the UN today is very different from what it was in 1945 when it had only 50 members. Today there are 192 members. So, there is need for some reforms. There are number of components of reform that one should look at as the need to have a greater role for the UN General Assembly in order that the voice of the majority has greater respect and say, decision-making mechanisms could be improved, there could be more transparency, greater accountability, and a better balance between the various organs of the United Nations. And, of course, there is the need for the expansion of the Security Council. We believe that any expansion of the membership of the Security Council should be in both the categories of permanent and non-permanent.

Question : Yesterday, Kofi Annan said that war in Iraq was not justified. Will this come up in the talks?

Secretary (East) : I did mention that Iraq is obviously an issue that will figure. I think you are aware that India has consistently maintained that the war lacked justification. We had passed a unanimous Resolution in Parliament in this regard in April last year. We have always favoured that there should be a multilateral process to the UN. Obviously, this is a matter that causes deep concern. You are aware of the hostage crisis we had in which three Indians were taken hostage. Thankfully they are out. I think there is a need for the international community to think collectively as to how to resolve the situation.

I just wanted to also add that in addition to the various meetings which the Prime Minister would be having, the External Affairs Minister will also be having a programme of parallel meetings. There will be meetings of the Non-Aligned Movement, G-77, Commonwealth, SAARC, IBSA, Gulf Cooperation Council and various other regional bodies like Asia Cooperation Dialogue, Rio Group, G-15. Of course, there will be many other bilateral meetings which the External Affairs Minister will be having including with his counterparts from Russia, China, France, Angola, Romania, South Africa, Brazil, Algeria and so forth. These are being worked out depending on the scheduling.

Question : Mr. Secretary, were you saying that there is going to be no statement on the NSSP between India and the US, in answer to another question? I just want a quick follow up also. Can you tell us a little bit more about the other bilaterals that the PM would be having? Is it going to be with Putin, Chirac or Chinese President? Could you tell us something more about it? And also, when is the meeting with Musharraf going to be?

Secretary (East) : I think you are aware that the Foreign Secretary is currently in the United States. He is having a series of meetings with his counterpart Mr. Marc Grossman, the US Under Secretary for Political Affairs. He will be also meeting with Mr. Stephen Hadley, the Deputy to the NSA; Ms. Paula Dobriansky, Under Secretary for Global Affairs in State Department; Douglas Feith from the Department of Defence; Ken Juster from the Commerce Department. So, those will, I am sure, will lead to some outcomes that I am not aware of at this stage because these discussions are currently going on. I really do not know what are exact timings of the

meetings would be because these are subject to the schedules of the various sittings. It is all being coordinated by our Mission in New York.

Question : This is relating to the proposed meeting with General Musharraf. Is there any outline available regarding the dialogue that Prime Minister is likely to have with General Musharraf, particularly in the context that President Musharraf had said in an interview about what he would like to talk to our Prime Minister?

Secretary (East) : I would not like to really speculate what is going to be discussed at that level.

Question : Apart from the bilateral meetings that the External Affairs Minister will be having, will there be India-Russia-China trilateral meeting on the sidelines of the UNGA which is going on for the last two years?

Secretary (East) : I am not sure if that is slated or not. I do not have the full programme. But yes, you are right, it did take place. But then, there was also a proposal to have it elsewhere.

Question : *Under the new visa regime introduced by the US, fingerprinting of Indians entering the country is done. Will this issue be taken up in the bilateral meeting that is going to take place? Many countries have expressed serious reservations on this. What is India's stand in this regard? Will there be some discussion on this issue?*

Secretary (East) *: These new rules apply to all countries and not just to India. Every nation has the full right to formulate its rules for its own security as we also do. If specific problems arise, we do discuss them to ensure that genuine travelers are not put to difficulty.*

Question : President Kalam has recently expressed a view on the veto power. He said that it should go. Is the Government giving a thought to that while you are pursuing the agenda for UN reforms?

Secretary (East) : I think Hon'ble Rashtrapatiji has said that it was his personal view. I think I would not like to comment anything more than that.

Question : I wanted to know whether the Government will give consideration to it. Is India considering veto power a part of the agenda for UN reforms from India's perspective?

Secretary (East) : I think I have outlined in sufficient detail our perception of why the UN needs some reforms and what are the broad directions in which we think it should be going.

Question : *Will there be talks on the issue of PSI? Will this issue be raised with President Bush or will it be raised in the UNGA?*

Secretary (East) : *It is very difficult to say what discussion will take place and what will be its outcome.*

Question : *At what level will it be discussed?*

Secretary (East) : *Several issues would be discussed, I cannot specifically say such and such would be the nature of talks.*

Question : The stand of India is that UN Security Council should be expanded both in the permanent and non-permanent categories. There is a proposal by Mr. Razali for making four additions in the permanent category and five in the non-permanent category. Is India going to subscribe to this? Or, are we coming out with a new draft Indian proposal?

Secretary (East) : This is an ongoing discussion which is there. This matter has been discussed at various levels. As you are aware, the UN Secretary General has also set up a high level panel on threats, challenges and change. I think the report of that panel will come towards the end of the year. Then it will be considered by the various Governments. So, various proposals are there by different parties. But our view is that any expansion should be in both the permanent and non-permanent categories.

Question : What is the status of the Convention on Terrorism?

Secretary (East) : These are issues that are under discussion. Obviously there are different points of view that need to be reconciled before it will be accepted by everyone.

Question : Considering that international terrorism is going to be one of the issues which will figure in the dialogue that the Prime Minister will have with Heads of State, can we expect that the Prime Minister will also inform them about India's own concerns on cross-border terrorism?

Secretary (East) : I think you can be quite assured that India's concerns in this regard are very high on our agenda. We have always been telling the

rest of the world that this is a problem. We think that this requires collective action by the international community. There cannot be double standards on terrorism, and we should work together if we are to eradicate it.

Text in italics is translated from Hindi.

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383. Statement by Prime Minister Dr. Manmohan Singh on the eve of his departure for London and New York.

New Delhi, September 19, 2004.

I leave today on a visit to New York to address the UN General Assembly.

This year's session of the General Assembly is taking place against the background of multifarious threats and challenges facing the international community. Enhancing the UN's capacities to meet these challenges is a priority. Central to this process, is reform of the United Nations and restructuring of the Security Council. We will make our case for India's candidature as Permanent Member of the UN Security Council, which is gaining increasing international support.

During my stay in New York, I will be meeting President George Bush. Both our countries are determined to endow our vital relationship with greater content, particularly in economic and high technology fields. The meeting will also give us an opportunity to discuss international issues of mutual concern and to build on the vast commonalties in our approaches. I will take advantage of being in the United States to convey that the Government is determined to carry forward the process of economic reform, which will increase opportunities for greater economic interaction.

I hope to meet other Heads of State and Government in New York. A meeting with President Musharraf of Pakistan is envisaged. This will be a further step in the ongoing dialogue process with Pakistan. I will also be meeting President Hamid Karzai of Afghanistan.

En route, I will be stopping briefly at London. I look forward to my

discussions with Prime Minister Blair to further consolidate a strong and historical relationship. The firm determination of both our countries to carry forward our relations will be reflected in a Joint Declaration on the conclusion of our talks. During my meeting with the CEOs of British industry, I will carry the message that they should partake more actively in the increasing business opportunities in India.

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384. Joint press conference by Prime Minister Dr. Manmohan Singh and UK Prime Minister Tony Blair.

London, September 20, 2004.

Mr. Blair: Good Afternoon everyone. First of all can I say what an honour and a pleasure it is to have the Prime Minister of India with us today, and many thanks for coming here.

This is our first opportunity to meet after your successful election, and congratulations to you Sir. And perhaps as much for our own media here as anyone else, I think we should say that the relationship between Britain and India is probably the strongest it has been today for many, many years. It is a relationship that is actually going from strength to strength. I think there has been a lot of commitment on both sides to making it work and that commitment is a commitment obviously which is about trade and investment, science and technology, but it is also a commitment to try to work together in the international arena to solve the problems that the international environment and community has no option but to try and solve together. And we have already had discussions which have ranged over all the issues you would expect us to talk about. We are publishing a joint declaration today as well which shows how we can take this work further, but for people here of course, and there is an Indian community here of around about 1.3 million people in this country of Indian origin, it is a relationship that matters a tremendous amount, but it is also one I feel increasingly within the international community that matters too. We discussed the G8 for example, that comes up next year, where I indicated to the Prime Minister that our priorities would be around the question of Africa and climate change, and I hope very much we can find a way of

involving India in that dialogue at that level too, because the contribution India can now make to all these issues in the international arena I think matters a very great deal, not just to my country but to Europe and to others too.

So many, many thanks for having come here on your way to the United Nations General Assembly. It is a very great pleasure to see you, and to give a special word of thanks as well for all the work that you have done as Finance Minister, but now as Prime Minister, in helping India make progress. We remember the period of time when you were the Finance Minister when you took some very tough decisions, difficult decisions, to reform and change your country and we are delighted that through your leadership now as Prime Minister that you are able to take this work forward.

Mr. Singh: Thank you very much Prime Minister. It is for me a truly sentimental visit to Britain. I was mentioning to the Prime Minister that 50 years ago I came here as a student and had a look at 10 Downing Street from outside. Now I am here as the Prime Minister of India and the guest of my esteemed friend, Prime Minister Blair. Well that is an indication of how things have changed in our two countries. In 50 years Britain has changed a great deal, it is now a functioning multi-ethnic, multi-cultural, multi-religious society. This is what we in India are, and what we are trying to do in India is to build on our diversity a cohesive nation. We are trying to deal with the ancient scourge of poverty, ignorance and disease, using the instrumentalities of democracy, full respect for fundamental human rights, a deep and abiding commitment to the rule of law, and in that sense I explained to the Honourable Prime Minister that the Indian experiment of democracy and development is of worldwide significance.

In recent years the Indian economy has grown handsomely. In the last 10 years or so we have had an average growth rate of 06% per annum. It is our ambition to do better, and I am confident that with the support of Britain and other friends in the international community, we can succeed in achieving that goal. In the last 5 or 6 years that Prime Minister Blair has been associated with the management of affairs of this great country, we have received great cooperation from the British government and the British people. Indo-British relations are at an all time peak. But as I mentioned to the Prime Minister we cannot be satisfied with the status quo. We must try to do better and I do believe that there are opportunities. I am very grateful

to the Prime Minister for having agreed to use this occasion to issue a joint declaration. That declaration sets out a vision, a strategy and a programme of action for our two nations and for our two governments to work together to realise our shared goals of a peaceful secure world, a world which will have the resources and time to devote to fighting the ancient scourge of mass poverty which still afflicts millions and millions of our people.

India and the United Kingdom have been partners in this struggle for the last 55 years. We in our country recall with gratitude that we are the largest recipient of British aid, and today British aid goes to areas which have a direct bearing on the fight against poverty. We believe the international trading system, other multilateral regimes have an important role to play in managing the increasing global interdependence of the world economy, and in that too I mentioned to the Prime Minister that our two countries, working together, can help to promote the cause of multilateral cooperation. But all this presumes that we have effective and credible strategies to deal with new problems created by international terrorism, we need credible bilateral, regional and multilateral approaches to deal with this menace of terrorism which today constitutes a threat to civilised society all over the world. In that way the fight against terrorism is truly a global effort, and I mentioned to the Prime Minister that we want to be a part of that coalition to fight against terrorism. We in our own sub-continent have experienced what terrorism can do to disrupt the lives of ordinary people, and therefore concerted strategies are needed to deal with this menace.

We had a brief discussion about Indo-Pakistan relations, and I reported to the Prime Minister the outcome of the comprehensive dialogue that we and Pakistan have had on the composite dialogue which was agreed to in January 2004. It is our sincere desire to carry forward that process, provided of course that the threat posed by terrorist elements can be kept under control, because if terrorism is not under control it will be very difficult for our countries to prepare Indian public opinion to move forward on the road to the dialogue. But if terrorism is under control, we would be more than willing to discuss all outstanding issues between our two countries. In this I found the Prime Minister fully supportive of our stand.

I also discussed with the Prime Minister the issue of India's permanent membership of the Security Council and I was very glad to have from him a reaffirmation of the United Kingdom's resolve to help India gain permanent membership of the Security Council.

Question: Prime Minister, Prime Minister Singh has mentioned the menace of terrorism. I wonder what you had asked him for in terms of help in Iraq; and secondly, whether you feel that an increase in international forces, given the weakness of the indigenous forces so far, is required if elections are to take place. And Prime Minister Singh, I wondered whether I could ask you, the menace of terrorism, do you see the war in Iraq as a war against terrorism, and if so, at what point will India join that particular conflict?

Mr. Blair: We actually will have an opportunity to discuss Iraq and indeed Afghanistan over lunch together. I don't think the issue is actually about getting more foreign troops into Iraq, I think the issue is primarily one of building up the capability of the Iraqi security forces, and that capability is being built up. It is going to take, however, some time, and we have simply got to stay with it and see it through and help them to do the job that they want to do. And I think it is worth just pointing out that for example in a place like Najaf, once it was actually freed of terrorists and those who were trying to disturb the local population, that the local population now is able to get on with its job of rebuilding the country. And that is why I said yesterday, whatever differences people have over the original decision to go to war and the conflict, I think that it is important to recognise now that what is happening there is an absolute battle between those who want democracy in Iraq to take root and to flourish, and those who want to prevent it. And on that issue I think there is only one side to be, as I said earlier.

Mr. Singh: Let me say that stability, restoration of normalcy and peace in Iraq is in the interests of the entire world community. We of course have our own perceptions of what is happening in Iraq, and also we have to look at the political consensus that exists in our countries. At the present time we are not in a position to commit Indian troops. However, we have offered to help retrain people from Iraq for humanitarian purposes, we can train their police, we can also provide rehabilitation and reconstruction assistance and for which we have already committed $30 million.

Question: My question is for Mr Blair. You spoke about cooperation in the international arena and our Prime Minister referred to the issue of the Security Council. So I just wondered if I could use this opportunity to get you to clarify, does Britain support reconstitution of the Security Council and do you believe that India should be a Permanent Member?

Mr. Blair: The answer to that is yes on both points, we do. India is a country

of 1.2 billion people. For India not to be represented on the Security Council is something that is not in tune with the modern times in which we live. I also hope very much through the G8 process next year we can involve India, and indeed China too, in dialogue on important issues. There is no point for example on us having a dialogue on an issue like climate change, which is going to have an impact over the next few decades, without involving the Indian economy and the Chinese economy in that debate. So yes I think this is the position we have adopted over a long period of time and I have no doubt at all that as each year passes the case gets stronger.

Question: Prime Minister, could you say what efforts are being made today to free the British hostage in Iraq, Mr Bigley, and have you had any contact directly or indirectly with the kidnappers?

Mr. Blair: I am sorry, James, I think I have just got to camp on where I was yesterday. I don't think it is sensible for us to say anything at the present time, except to say obviously we are focused on doing what we can.

Question: Mr Prime Minister, when you have lunch with your counterpart, could you ask him to explain why it is politically correct for everybody to condemn terrorism, whatever the cause and justification, but when it comes to south Asia, the United States and Britain been seem to have taken a different and benign view of Pakistani-sponsored terrorism in Kashmir?

Mr. Blair: I can absolutely assure you of one thing, we do not have any equivocation about this at all. We totally and completely condemn any terrorism associated with Kashmir, as we do terrorism elsewhere in the world. And let's be quite clear about this, terrorists, whatever part of the world they are operating in, have no interest in peaceful solutions to problems, they simply want to divide people. Now the issue of Kashmir is being taken forward in the dialogue between India and Pakistan, a dialogue that the US and Britain have supported. But let's be quite clear, in supporting that, what we are supporting is a peaceful exchange of views. We are condemning totally and absolutely those people who go and kill the innocent, who try and murder elected politicians, because all that does is divide people. And I think it is worth just reflecting on this, because it is a reflection that it is right to make whenever one is in the presence of the Indian Prime Minister.

India itself is an extraordinary example of a country that despite the problems of development it has to overcome, it is a democracy, as we have

seen in recent months, a well functioning democracy, a country that is home to 150 ... Muslims as well as Hindus, and those of other religious and ethnic denominations, and yet the country is a country that operates on the basis of values of tolerance and respect for all. So I don't know where you get the idea that we are equivocal at all about terrorism in Kashmir, we totally condemn it, and the only way that there is going to be the basis of a solution there that lasts is through peaceful dialogue between India and Pakistan, which is why we support the present process.

Question: Given the hostage crisis and what General Sir Mike Jackson called the war of counter-insurgency, how far do you feel you have failed to heed the warnings about the aftermath of the war?

Mr. Blair: Well first of all, just to repeat what I said on Saturday, the actual warnings in the note that I was sent were warnings that it was important not to replace one dictator in Iraq with another, that is precisely why we have gone down the path of democracy. I know what has happened is that certain people have simply chosen to say the issue that has arisen today is the issue that there was some specific warning about. It is not correct, the actual issue was how we made sure that in removing Saddam Hussein with all the oppression and dictatorship that that represented, we didn't simply replace him with someone else, and that is a warning that of course we heeded and acted upon, which is why we have involved the United Nations. But let me just make it clear.

Those people who are taking hostages, and not simply from countries incidentally that supported the war in Iraq, there are hostages that have been taken from countries who opposed the war in Iraq, but that is what indicates that what is happening now today is a conflict between those people who want to help Iraq on its feet as a stable democratic country, and who say the choice should not be for Iraqis one between a brutal dictator who killed hundreds of thousands of his people, and some form of religious fanaticism, but that there is another choice for Iraqi people, a choice that the Ministers here yesterday said they wanted, and that the people wanted, which is one in which they choose their government. And it is perhaps the right moment, standing alongside the world's greatest democracy, to say that many people I think did not believe that India, with all the problems of its development, could function as a democracy, and yet there it is, an absolute testament to the fact that whatever the problems of development,

people anywhere in the world, given the chance, want to be democrats. Look at what is happening in Afghanistan at the moment. 10.3 million people have registered to vote, 40% of them women, despite the risk of assassination on the way to the polling booths. So of course these situations are terrible because of what is happening and because of the desire of these people to kill anyone who is trying to help that country get better, but our response has not got to be to weaken, our response has got to be to stand firm, to say whatever the differences about the Iraq conflict, there is a clear right and wrong on this issue, and that is to be with the democrats and against the terrorists.

Question: I have a question for you both. Prime Minister Singh, as you travel to the United Nations General Assembly, the Secretary General has called the Iraq invasion an illegal one, and as you stand next to Prime Minister Blair I wonder what thoughts you have on that a year after that invasion. And Prime Minister Blair, in the joint declaration today, of which we have seen an embargoed copy, there is a reference to India and the UK working together on civil nuclear cooperation. Do you have any thoughts on that?

Mr. Singh: As far as your question is concerned, I think our views are well known. There was a resolution passed by the Indian parliament, but what is more important is to look to the future rather than to delve into the past.

Mr. Blair: And in relation to the question of civil nuclear cooperation, we set out in the joint declaration how that can be taken forward, and I think it is important because of the importance of the issue that we work together and there is a scientific and technological expertise on either side that can be exchanged. So I think that will be another area of fruitful cooperation between us.

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385. Joint Declaration issued at the end of talks between Prime Minsiter Manmohan Singh and British Prime Minister Tony Blair.

London, September 20, 2004.

We, the Prime Ministers of India and the UK, believe that the relationship between our two countries is now the strongest it has ever been. Building on the achievements of the 2002 New Delhi Declaration, we commit ourselves and our Governments to strengthening and deepening the comprehensive partnership that exists between our countries – to benefit our peoples, and to create a safer and more prosperous world.

People are at the heart of our relationship. Almost 1.5 million people of Indian origin live in Britain today. Their cultural values contribute significantly towards making Britain the vibrant, dynamic society that it is today. They are a vital bond between our countries.

Both our societies value, and encourage, cultural and ethnic diversity.

Both our countries have a long and proud historical tradition, and yet are countries looking forward, adapting to the challenges, and trying to shape the outcome of the 21st century.

The flow of people between our countries is huge. 500,000 Indians visit Britain each year. 400,000 Britons visit India. These people-to-people links flourish in many areas – education, health, development, science and technology, including in the frontier technologies, investment, trade and tourism.

India and the UK are natural economic partners. As India emerges as a global power, trade and investment relations are becoming more diverse. Bilateral trade grew by over 20% last year. We want this rapid growth to continue. But the real partnership lies in the strength of investment in both directions. The UK is the second largest investor into India. India was the 8th largest investor in the UK in 2003. It is one of the fastest growing, investing in the UK's knowledge economy. The UK provides an important bridge into the European market, attracting over 60% of India's investment in Europe.

Shared democratic values and a commitment to human rights, justice and the rule of law underpin our relationship. We share a global vision of

peace, security and shared prosperity, based on sustainable development. We have shared interests in combating key global challenges – terrorism, poverty, HIV/AIDS, environmental degradation, climate change, drugs, international crime, illegal migration and trafficking in people. We will step up our bilateral co-operation on these issues.

However, we must also urgently strengthen the multilateral system to meet these global challenges. We will co-operate closely on this and the UK will continue to work for India's Permanent Membership of the UN Security Council[1].

We can achieve even more together than we already do. We now intend to take our relationship to a new level. We see the relationship between our two countries as among our top international priorities. As Heads of Government, we will work for a long-term comprehensive streategic partnership for the 21st century of shared values and interests. In particular we will strengthen our links in the following areas.

Foreign and Defence Policy

Heads of Government and foreign ministers will exchange visits annually to reinforce and extend our bilateral co-operation in the fields we have identified for joint action.

We will reinforce our strategic partnership, and enhance our defence co-operation, in the pursuit of a more peaceful and secure world. We will build upon, and expand, programmes of joint military training and exercises. We will explore the co-production of defence equipment. We will work towards the objective of non-proliferation of weapons of mass destruction and the means of their delivery.

Security Challenges

Both our countries are deeply committed to combating terrorism in all its forms and manifestations[2]. We will work together to try to ensure that

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1. The British Prime Minister separately reiterated that "India ought to be represented" in the Security Council and wanted the "G – 8" process to be expanded to include India and China.
2. Mr. Blair while welcoming the incipient India – Pakistan peace process, condemned "totally and absolutely" the Pakistani sponsored terrorism in Kashmir and said either was "no equivocation" on the issue as those who practiced "whatever passes for terrorism had no interest in peace". On his part the Indian Prime Minister conveyed India's sincere desire to carry forward the peace process, provided the "terrorists" were kept under control.

the global norms against terrorism are upheld by all countries. We will share our experience and augment our co-operation, including operational co-operation between police, law enforcement agencies and others in our criminal justice system. We will enhance our co-operation to counter money laundering and terrorist financing.

The UK will support India to join the Financial Action Task Force. We will identify specific needs and share best practice in the areas of justice, judicial co-operation and mutual legal assistance. We will co-operate in the light against international, organised and serious crime and new forms of criminality, including illegal migration, drugs trafficking and trafficking in people.

Economic and Trade Issues[1]

Our economic ties will continue to expand. We will establish a Ministerially-led Joint Economic and Trade Committee to further develop a strategic economic relationship, and develop business-led vehicles to enhance bilateral trade and investment in specific sectors including services

1. Economic and other development issues also came up for discussion at the breakfast meeting the Prime Minister had with the British industry and business leaders as also some influential opinion-makers on the morning of September 20. Among his breakfast guests were Lord Sterling, Sir Robert Wilson of the BG group, Bill Gammell of Cairn Energy, Sir David Clementi of the Prudential group, John Napier of Royal and Sun Alliance and Colin Stanbridge of the London Chamber of Commerce. Besides the business leaders, the guest list included Mark Leonard, Director of the Foreign Policy Centre, John Chipman of the International Institute of Strategic Studies, Victor Bulmer-Thomas of Chatham House, Nick Pearce of the Institute of Public Policy Research, Andrew Gowers, Editor of *the Financial Times* and Bill Emmott, Editor-in-Chief of the *Economist.* The Prime Minister told the breakfast group that "a new mindset was at work" in India, eager to integrate the country in a global economy and reminded his guests that it was he who began the process of opening up India's economy to foreign investments. He quoted the great economist, J. M. Keynes, to the effect that "investment is an act of faith", and then added, "I invite you to have faith in India. We have surprised the skeptics before, and we shall surprise the skeptics again." He told the breakfast group that it was a "tribute to the Indian genius" that the process of economic reform that began in 1991 had survived a change of three governments. India was more open now than before. Dr. Singh was asked about the state of decision-making play, given the new Government's dependence on the Left parties. On privatization, he said: "We do not accept privatization as an ideology; we do not take an ideological view, we take a pragmatic view, wherever it will serve our national purpose, we will think of privatization." The Prime Minister was specially asked on the disinvestment of public sector units and reiterated the Common Minimum Programme formulation that there is no earth-shaking reason to privatize profit-making public sector units. Dr. Singh pointed out that there was a continued dialogue with the Left leaders on issues such as privatization and foreign investment in key areas such as infrastructure, insurance and banking.

and knowledge-based industries. We will enhance our dialogue on international trade and investment issues.

We will also establish an Indo-British Economic and Financial Dialogue on bilateral and global issues, on financial systems, and to enhance economic and financial co-operation.

At this important time in the development of the international trade regime, we will work closely together for a successful conclusion to the WTO's Doha Round of multilateral trade negotiations.

The UK and India agree to expand co-operation in the fields of civilian nuclear activities, civilian space programmes, and high technology trade, in accordance with their international obligations.

Science and Technology

The UK and India already co-operate closely on science and technology. We have established a Joint Committee on Science and Technology and a networking scheme that enables scientists to meet each other, exchange research ideas and establish links. We will now enhance existing collaboration and identify new areas for co-operation in fields such as: climate change, alternative and clean energy technologies, environmental science, commercial applications of high technology like biotech and bio-informatics, nano-technology, agriculture, and health research and development. We will encourage collaborative opportunities in these areas.

Development Partnership

We have an important development partnership. The UK is recognised as a leader in international development. India has made great development progress over the last two decades and is now establishing itself as a development partner for other developing countries. Our shared commitment to the UN Millennium Development Goals provides an opportunity to exchange experience on aid effectiveness and development practices. Working together, we can accelerate development and make progress globally towards the Millennium Goals.

Sustainable Development

Both our countries recognize that co-operation is essential to deliver

the progressive global agenda set by the Johannesburg World Summit on Sustainable Development and the Millennium Declaration. We will initiate regular high-level dialogue to share experiences on how we can overcome social, economic and environmental challenges, and bring real quality of life improvements for people in both our countries and around the world.

Climate change and broader issues of sustainable energy security are high on our respective agendas. Climate change will be a central theme of the UK's Presidencies of the G8 and EU next year. We will promote effective co-operation in our responses to climate change, including by building on the successful joint work that has already been carried out by the UK and India on climate change impacts and modelling. To this end, we will establish a structured dialogue to exchange views and information and take forward any bilateral co-operation projects.

Education and Culture

There are strong and vibrant academic links between the UK and India. By 2008, we expect that 25,000 students from the UK and India will be studying in each other's academic institutions. We will explore ways to help educational establishments in our countries to establish lasting partnerships.

The cultural influence of the UK, not least through the use of English, has added to the richness of Indian culture, and Indian writers have enriched English literature. Now, through the community of Indian origin in the UK, and directly, Indian culture is becoming an important component of multi-ethnic Britain. We welcome this and will work to strengthen cultural linkages between our countries, including in areas like publishing and film production.

Conclusion

On this historic occasion we reaffirm our commitment to strengthen our comprehensive strategic partnership for the benefit of both our peoples and the international community based on universal values of democracy and respect for the rule of law, human rights and fundamental freedoms. We stress our commitment to work towards promoting international peace, stability and security and the eradication of poverty. We recognize that a strengthened multilateral system, including a reformed Security Council that would reflect the changing aspirations of the 21st century, is an important

element of this process. In recognition of our comprehensive strategic partnership we will hold annual summit meetings alternating in our capitals and will continue the high level dialogue established through our Personal Envoys.

(Signed by Prime Ministers Manmohan Singh and Tony Blair)

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INDIA'S FOREIGN RELATIONS - 2004

Section - XI
United Nations Organisation

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386. Statement by Permanent Representative at the United Nations V. K. Nambiar on "Small Arms" at the Security Council.

New York, January 19, 2004.

Mr. President,

I greet you on Chile's Presidency of the Security Council. We also congratulate Bulgaria for its capable steering of the Council in December. We welcome the presence of new members of the Security Council, Algeria, Benin, Brazil, Philippines and Romania and extend our good wishes to them. We thank you for convening this open debate of the Security Council on Small Arms. India attaches importance to the issue and is committed to the eradication of illicit trade in small arms and light weapons. In keeping with this commitment we have been closely following this issue in both the General Assembly and the Security Council, and have actively contributed to cooperative international efforts in addressing this multi-faceted issue.

India is particularly aware of the complexity and lethality of the problem of illicit trafficking in small arms and light weapons. Since 1990, the Government of India has seized, in our states of the northeast, and just one of the North approximately 39,000 weapons of all types. Their markings clearly indicate that the source of these weapons lie outside India. Over the last two decades, thousands of innocent civilians in India have fallen victim to the acts of the terrorists who use such illicitly obtained weapons for their nefarious activities. We have paid a high developmental cost as a result.

India has, therefore, been actively associated with the various initiatives under UN aegis to address the problem of illicit trafficking in Small Arms and welcomed the adoption of the UN.

Programme of Action (PoA) in July 2001. Since then, India has been engaged in comprehensive and effective implementation of the Programme of Action. We reiterate that commitment today.

Mr. President,

India welcomes the Report of the UN Secretary-General contained in S/2003/1217, on the ways and means by which the Security Council could contribute to this issue. Since almost all terrorist activities involve the

use of illegal weapons, including small arms, this would also contribute to the larger goal of combating terrorism. There were a number of recommendations in the report of 2002, which could go a long way in combating this problem. India is particularly pleased to see that definite progress has been made in the implementation of some of these recommendations.

An important recommendation was with regard to the development of an international instrument to enable States to identify and trace, in a timely and reliable manner illicit Small Arms and Light Weapons. India had the honour of chairing the Group of Governmental Experts constituted by the Secretary General pursuant to United Nations General Assembly Resolution 56/24V of 2001 to study the feasibility of developing such an international instrument. The group recommended by consensus that it was both desirable and feasible to commence work on such an instrument under UN auspices - a recommendation which was endorsed by the General Assembly at its 58th session. India would continue to contribute in the efforts for an early finalisation of such an instrument. We believe that this would be a significant step in our efforts to combat and eradicate the illicit trade in SALW.

India was also associated with the Group of Governmental Experts constituted to study the continued operation of the UN Register of Conventional Arms and its further development. The group was able to adopt by consensus its report in which it agreed to the inclusion of Man Portable Air Defence Systems (MANPADS) within the scope of the Register. Further the group was also able to recommend that interested states may on a voluntary basis report on the transfers of SALW as well. As we are all aware these weapons have become instruments of choice by terrorists to execute their acts. We hope that these steps, which are in keeping with the recommendations of the UN Plan of Action, would help in reinforcing our collective efforts to deal with this scourge.

Mr. President,

Illicit trade occurs because of illicit production or because licit production or licit stocks enter the gray and black markets, thus swelling the illicit weapons market. These weapons end up in the possession of criminals exacerbating problems for law enforcement agencies and, worse,

get into the hands of unscrupulous arms brokers, ending up in areas of conflict and in the hands of extremists and terrorists. The Programme of Action recognises that measures are needed to ensure that there are effective controls over legal transfers of Small Arms and Light Weapons.

India follows a very strict policy with regard to export of Small Arms and Light Weapons that includes the requirement for end-user certificates on a government to government basis and a ban on exports to countries under UN embargo. It is our hope that all other states would also undertake an obligation not to supply such weapons to non-state actors and would insist on authenticated end-user certificates to ensure effective control over the export and transit of such weapons. The international community on its part must also ensure that the trade in arms flows only through channels authorized by both the exporting and the importing Governments.

Greater exchange of information between governments and collaboration between them would be essential to effectively address this problem. In this context we support the need to strengthen the effectiveness of Interpol's International Weapons and Explosive Tracking System (IWETS). We are happy to note that Interpol is presently undertaking technical evaluation to integrate International Weapons and Explosive Tracking System with its communications systems and hope that this would be completed soon. This would provide an additional tool to the member states to fight terrorism and other crimes associated with the illicit trafficking in Small Arms and Light Weapons.

Linkages among illicit trade in small arms and light weapons, illicit exploitation of natural and other resources as well as the trade in narcotic drugs are important in the context of Somalia and Liberia as brought out in the Secretary General's report. We trust that careful consideration would be given by the Security Council to recommendations and findings of committees constituted to investigate such linkages. On its part international community must also extend all the assistance to help in the disarmament, demobilisation and reintegration programmes in the relevant post conflict situations.

Mr. President,

Though the Programme of Action provides an adequate basis for further work at all levels - national, regional and global, and the primary

responsibility rests with the Member States themselves to address this problem, we trust that the Security Council will take effective and practical steps, based on this report, in respect of those recommendations which are directly within its competence. Such steps would restrict the availability and use of illicit small arms and help further the implementation of the Programme of Action.

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387. Statement by Permanent Representative at the United Nations V. K. Nambiar on "Children and Armed Conflict" at the Security Council.

New York, January 20, 2004.

Mr. President,

You have been sedulous Mr President in pursuing this month an agenda of important though sombre thematic issues for the consideration of the Council. This open meeting of the Security Council on children and armed conflict is one such issue. For those who believe the poet who said that "Heaven lies about us in our infancy", the "shades of the prison house" that "begin to close upon the growing Boy" would appear to have a context not quite apposite to the theme of today's debate. But they most certainly describe the plight of many children in different parts of the world caught up in the vicious grip of conflicts they hardly understand but find themselves hopelessly enmeshed in.

Children have become increasingly involved, both as targets of violence and as combatants. During the last few years, more than 500,000 children, recruited in 87 countries, with around 300,000 actively participating in combat, have been involved in conflict in some form or other. Aged generally between 15 and 18 years old, some as young as seven, child soldiers are often in support services. The rise in intrastate conflict, compounded by conditions such as internal displacement or refugee situations, has caused the phenomenon of the child-soldier. It is often impossible to make a distinction between a forced and a voluntary child soldier. Whereas some children join armed groups for food, survival or to

avenge atrocities in their communities, other are physically abducted for war by armed groups. Enticed by promises of food, shelter and security, and sometimes plied with drugs, child soldiers are at times led to commit atrocities against other armed groups and civilian populations, sometimes even their own communities.

The use of children in armed conflict has been aggravated by the proliferation of small arms and light weapons worldwide. These weapons are inexpensive, durable, small, lightweight, easy to maintain and small enough for them to handle. Illegal arms trafficking and poor monitoring of the legal trade make it easy for them to access such weapons. It cannot be denied that in many conflict situations, the most vulnerable members of the population, particularly women and children, are targetted with impunity. While no leniency should be shown on crimes perpetrated on innocent children, we need to see in perspective the fact that many children responsible for reprehensible crimes have often been manipulated by unscrupulous adults to take part in armed conflicts.

This purpose of a thematic debate on such a subject is evidently to raise questions, probe issues and understand dilemmas affecting policies in general terms. It also affords us an opportunity to look at the implementation of Council resolution 1460 of January 30, 2003 and offer comments on the report of the Secretary-General under this item.

The Special Representative of the Secretary General for Children and Armed Conflict, Mr. Olara Otunnu, deserves our commendation for his statement and comprehensive report. We note his recommendations on the road ahead, including the challenge of launching the campaign for an ‘era of application’. The report demonstrates that significant progress has been made in the mandate of incorporating the impact of armed conflict on children in the international peace and security agenda.

Before commenting on the specifics in the report of the Secretary-General, a few general points made in the past by the Indian delegation may need reiteration.

The first relates to salience. How useful is it to have ‘thematic debates’ in the Security Council on subjects such as the present one? It is true that a large number of children are victims of armed conflicts. But it is also a fact that malaria and AIDS kills more children than conflicts do, but we do not

deal separately in the Council with children and malaria or children and AIDS or request reports from the Secretary-general on them. An unconscionable number of children have died as a result of sanctions but we do not recall the Council holding a debate on the effects of sanctions on children or seeking a report from the Secretary-General on this subject either. A sense of balance and perspective should be retained in order to make sure that too narrow a focus does not blot out the larger picture of what the SG has designated the "soft" challenges to international peace and security.

The second point relates to applicability. There are recommendations relating to the Convention on the rights of the child and its optional protocol and international humanitarian law. No role is envisaged in any of these Conventions or other legal instruments for the Security Council in promoting their implementation. While only States are parties to Conventions, non-state actors are not bound by them. More important, most armed groups obey no laws, national or international. In some cases of internal conflict non-state actors or rival political groupings may make offers of adhering to such instruments precisely to gain legitimacy or a political locus standi. Who is to decide whether they are entitled to this or not?

Mr. President,

The report of the Secretary-General refers to the comprehensive body of instruments, norms and commitments that provide a basis for enforcement of the protection and rights of children exposed to armed conflict. While adhering states stand automatically committed and accountable to such norms, the accountability of non-state actors has not been adequately considered or documented. Many of these are infused by religious or political ideology, economic interests or plain outmoded or feudalistic social beliefs and known for their gross, massive and systematic violations of the rights of children. We would urge the Special Representative to pay greater attention to this aspect for this, in our view, is the root cause of many of the problems in this area.

We would, similarly, sound a note of caution on the recommendation to establishing a dialogue and engaging in negotiations with parties to armed conflict, particularly when such parties are non-State actors. Non-State actors are not bound by any legal obligations or commitments as they have

not assumed any such. By initiating a dialogue and engaging in negotiations, we should not encourage a process that would confer on them any legitimacy that they should not have.

The report does catalogue the deployment of child protection advisers in many peace-keeping operations. It is not clear, however, whether any assessment has been made of the work done by them in the area of child protection and the involvement of children in armed conflict. A purposive audit of the efforts undertaken so far in the area is missing in the report. It could have been more useful if the recommendations had built on the lessons learnt after providing a critical assessment of the work accomplished in this area. This would have added to the efficacy of the recommended measures.

Mr. President,

In the sub-section on monitoring and reporting, there is a conclusion that a body of standards constitutes the basis for monitoring. The list consists of a number of instruments that do not command universal acceptance or adherence. How does the Special Representative expect to deal with monitoring the situation of a member state that is not Party to the Optional Protocol, or the Statute of the International Criminal Court or the ILO Convention no. 182? The member state in question, while otherwise committed to the norms and commitments concerning the promotion and protection of the rights of children, would be right in maintaining that it would not be bound by any instrument to which it is not a Party. The Special Representative must recognise that neither he, nor anyone else for that matter, can seek to impose on the member states the standards derived from these non-universal instruments.

We would like to voice one more concern about the agenda for monitoring and reporting. There is well-established machinery for dealing with alleged violations of human rights by the government of a state which is Party to a specific human rights instrument. The procedures in this respect are well-known and time-honoured. The likely interface between this procedure and the monitoring-reporting mechanism that would come into existence as a result of the Special Representative's recommendations is not at all clear to us. Moreover, the treaty bodies have their own system of dealing with non-compliance by parties of their treaty-obligations. There is the ever-present danger of duplication and overlap.

With respect to information-gathering and data collection, the report seeks to set much store by information collected from NGOs. But, it is not clear which NGOs would be depended on, how they would be chosen, how their credentials would be vetted and by religious or political ideology, economic interests or plain outmoded or feudalistic social beliefs and known for their gross, massive and systematic violations of the rights of children. We would urge the Special Representative to pay greater attention to this aspect for this, in our view, is the root cause of many of the problems in this area.

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With respect to information-gathering and data collection, the report seeks to set much store by information collected from NGOs. But, it is not clear which NGOs would be depended on, how they would be chosen, how their credentials would be vetted and the type of the test of reliability that would be applied to the information and data provided by the NGOs.

In the area of monitoring and verification, the report recommends that increasing use be made of the field presence of the UN. This raises some pertinent questions. Do the country teams, particularly UNICEF, have the necessary expertise to perform this function? Would this be within their mandates? Will the UNICEF have the necessary expertise at the field-level wherever they are called upon to perform such functions?

One final point relates to the attempts to expand on the areas of consideration of the Security Council to include, for example, effective monitoring of "the most egregious violations" as contained in paragraph 81 of the Report. While one cannot but recognise the motives behind the strenuous efforts to cover the entire gamut of violations that could impact directly or indirectly on children, it must be said that there are other UN bodies such as the Commission for Human rights that are mandated to undertake these tasks. By taking a continuously expansionist role for itself, the Security Council would, not only overlap its functioning with those of other mandated UN bodies, but be committing its valuable time and resource allocation to functions best handled elsewhere.

Mr. President,

The concerns raised here are not with a view belittling the importance of the problem or the urgency of the need for dealing with it. Any breakdown of peace and security and the conflicts that ensue have a tragic impact on children. All member States have a duty to soften the impact of armed conflict on children, because they are innocent, vulnerable and should not be made to suffer. However, we feel that we ought to make decisions and act in ways that would lead to effective results. We should also bear in mind the need for obtaining the most efficient and optimal results as resources that are dedicated to any of theses mandates is finite and inelastic, especially in an era of 'zero-nominal growth' in most of UN's budget-lines. We should strive for increasing efficiency, cost-effectiveness and impact while dealing with this important question of protecting children from the impact of armed conflict.

Thanking you, Madam President.

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388. Statement by Permanent Representative at the United Nations V. K. Nambiar on "Post-Conflict National Reconciliation Role of the United Nations" at the Security Council.

New York, January 26, 2004.

Madam President,

We thank you for scheduling this public meeting of the Security Council on an issue to which the Security Council has not applied itself specifically on any previous occasion, but which is, nonetheless, of considerable import and great concern today. We note in particular, Madam President, the intensity of your personal involvement in the subject of today's debate.

For many members of the UN family, the experience of nationhood is still relatively new. Indeed, the post-World War II transition from Empire to nationhood in major regions of Asia, Africa and parts of the Caribbean was

itself the result of a definite process of political conflict, post-conflict reconciliation and the deliberate crafting of nationhood. This process was unique for each region, if not for every nation. The role of the United Nations was also significant, though of a nature somewhat different from what seems relevant to the present debate.

What is the basis of the current consideration of this subject by the Security Council? Since the Congo crisis of 1960, the UN has considered aspects of internal conflicts on account of their potential implications for international peace and security in terms of Article 36 (1) of the Charter. This Article allows the Council to consider or make a recommendation in respect of either a dispute or "a situation of like nature" "at any stage", with perhaps the minimal requirement of an investigation under Article 34. The fact that since the Nineties the UN has been involved in a variety of 'robust' peacekeeping operations makes such a search for a Charter basis only academic today. For the Council to proceed from peacekeeping to peacemaking and post-conflict reconciliation, it would seem, is but a short step.

Madam President,

The nub of the present debate seems to be concentrated on the effects of intra-state conflicts that have bedevilled the international scene in the post-Cold War period and bred ethnic conflicts, or factional struggles for military control, political power, economic resources or external patronage within states. Though it is arguable that most intra-state conflicts invariably have external components, the concept of peace-building that arose in the early 1990s and provided the impetus for robust international action by the UN to intervene in many areas of the world was directed mainly to prevent, mitigate, resolve or manage such conflicts to avoid their exacerbation, thereby affecting international peace and security but also to enable broader political transitions to take place within these societies for long-term regional stability. How far these processes represented an imposition on the part of the outside agencies including the UN and how far they had the effect of encouraging genuinely authentic indigenous authority structures or institutions to develop are assessments on which the judgments of the outside world would vary.

It is axiomatic that reconciliation within any nation must be not only home-grown but also home-nurtured. This is more than a routine expression

of pro patria sentiment. There are many examples where solutions sought to be imposed from outside, have collapsed when the external influences disappeared. Similarly, any process that does not fully involve the participation of the local population in all its diversity is also unlikely to yield lasting peace. It is said that peace looks to the future and justice to the past. If true reconciliation is to be achieved there must clearly be a blend of both values. Without a willingness to look beyond the bitterness, rancour and misgivings of the past the expectation of future reconciliation is unlikely to be realised. But by the same token, unless there is a credible sense of justice and accountability for past actions, especially in cases where there have been grave and systematic violations, it would be equally unrealistic to bring about genuine reconciliation between the opposing parties. However wrenching the process may be, the various contending parties must deal with each other in order to arrive at mutual accommodation and deal with issues of the past, including those relating to peace, justice, reparation and amnesty.

Post-conflict societies also require new rigour in their judicial system. The establishment of criminal courts, truth commissions, and some system of reparation for the losses sustained by the victims of crimes may become necessary in certain circumstances. However, it is important that establishment of rule of law and dispensation of justice in post-conflict societies be fashioned in accordance with the needs and aspirations of the people in those societies. Promotion of post-conflict healing is a dynamic process. The local actors must lead the process. Externally imposed prescriptions will not necessarily work. International assistance for the establishment of a rule of law regime and dispensation of justice in post conflict societies, therefore, should help in setting up credible local institutions and in building up their public image and acceptance.

Madam President,

What should the role of the UN and the international community be in such a scenario? Our view is that the UN should play a supportive and facilitating role, without seeking to impose an outside optic or values of any particular country or group of countries on the delicate process of reconciliation under way in any war-torn society. This is not to belittle or underplay the role of the United Nations or the considerable expertise available within the system to deal with crises and complex situations, including those available with the Funds and Programmes. Nor is it an

argument against basic benchmarks of human rights values that need to be adhered to in all civilised societies. What is of paramount importance is to recognise the complexity of any exercise in national reconciliation in post-conflict situations and deal with it from a perspective informed by sympathy and understanding, rather than prescription.

Although the post-conflict reconciliation theologian is likely to make a sharp distinction between in-conflict and post-conflict situations, the reality, in most cases, is far more complex. Reconciliation efforts often commence even while the conflict continues and persist after peace agreements are signed. On the other hand, even after the formal ending of hostilities and the signing of peace accords, conflicts continue, sometimes sporadically, and at other times assuming even more virulent forms. Any involvement of the UN will need to take into account this reality.

Before involving itself in a particular situation, the UN will thus need to recognise that there are no uniform approaches it can be called upon to adopt in all situations. Every post-conflict situation will have its distinctive characteristics which need to be given full weight in any reconciliation model. Where societies have traditionally enjoyed a high degree of provincial or local autonomy, it would be futile to set up highly centralised unitary structures. In the case of large communities with mixed compositions, the distribution of power between federal and provincial governments would need to be worked out with great care.

Any process of national reconciliation will require time and painstaking efforts. Short-sighted approaches with unrealistic time-tables based on considerations of purely financial implications are not always likely to succeed.

An important contribution the UN can make, in our view, is to ensure the centrality of the local actors in the political process. Models forced upon societies by outside have often failed. Full ownership by the political elements of the society in an inclusive, rather than exclusive, process would also ensure that the solutions devised do not already contain the seeds of resurgence of conflict.

Madam President,

We are convinced that for a system of governance to work in post-

conflict societies it must respect the dynamic of the community in its plurality. It also follows that only a political form that is inclusive, tolerant of dissent and democratic can provide the required space for national reconciliation as well as a stake for all in its future well-being. Democratic governance implies governance through the will of the citizen, exercised through independent constitutional mechanisms. It is the will of the people that defines the political institutions, the economic and social manifestoes, the targets and the instruments. But reaching targets, democratically set, needs resources. Resources are the crucial factor that can determine the difference between effective governance that delivers, and governance, however well-meaning, that fails to meet the needs of its people. Extra-territorial and other threats to the sovereignty of states are further factors that seriously impinge on national capacity and self-image and divert attention away from the priorities of social and economic development. Too narrow a focus on governance, we feel, therefore, without adequate attention to the challenges of social order and security, are likely to affect the consolidation of post-conflict societies.

Democracy is a major area where the UN can assist in national reconciliation efforts. Different parts of the UN system have acquired experience and expertise in providing assistance in census operations, preparation and revision of electoral rolls, delimitation of constituencies, verification and other areas considered essential for the successful conduct of elections.

There are other areas where the UN would prove invaluable. These relate to provision of humanitarian assistance, protection and promotion of human rights, judicial assistance, and, of late, dealing with the political processes. The instrumentality available in the UN system to deal with each of these areas has different characteristics. Many of them have time-honoured traditions of neutrality and impartiality. We urge that caution be the watchword in dealing with the intersections of the political process, humanitarian assistance, peacekeeping operations and those for the promotion and protection of human rights. A push in one direction to satisfy any donor-country or interest- group without taking into account its impact on the other three could lead to consequences or situations that hinder, rather than assist, the process of reconciliation.

Madam President,

A leading non-governmental organisation has identified truth, justice

and reparations as the three indispensable pillars of post-conflict national reconciliation. The three are also intrinsically linked. The instances of South Africa's Truth and National Reconciliation Process as well as Peru's Truth and Reconciliation Commission have been held out as examples of the success of such efforts. They have enabled an outpouring of admissions and grievances thereby providing the basis for an effective reconciliation. In the case of Afghanistan, the imperatives of truth and justice have to be balanced by the demands of stability and order. In Cambodia, on the other hand, the urgency displayed by the international community in seeking justice from the Khmer Rouge after over two decades of their fall from power does not absolve it of the failure to seek this truth when the Khmer Rouge was in power. Here too, we are faced with the complex and often controversial balance of the moral imperatives of a post-modern civilised society and the perceived political interests of powerful states.

Amnesty is also linked to justice. Blanket amnesty, in the interest of peace, can prevent truth and justice from emerging. At the same time, complete denial of amnesty in the interest of justice can sometimes hinder peace efforts. Here too, balance is essential. Reparations are important in securing reconciliation but need to be carefully quantified to ensure they are not unduly at the expense of other parties to the conflict. History is replete with instances of the perceived injustice of reparations leading to further conflict. This issue continues to be relevant in our times.

Unfortunately, national reconciliation can sometimes be pursued with misplaced vigour. For a community emerging out of the shadow of death and destruction, starvation and deprivation, the goal of political reconciliation, however imperative, comes with a psychological cost. The scars of the past do not heal as quickly as 5

demanded by the international community as the price of their activist humanitarian interventions. When individual elements in the UN or the international humanitarian community decide to intervene in a manner that seems to privilege or favour one group over another, even with the soundest of motives, these actions run the risk of foisting an outside construct on the situation. While it is difficult to make value judgments on such situations, we must agree with what was stated by a scholar recently, that the attempt to do good, if poorly planned and lacking in strategy, can do more harm than good.

India firmly believes that national reconciliation must be a soft process of co-optation and cooperation. It cannot be thrust on an unwilling or unprepared society. Political engineering in the form of empowering one group at the expense of another may appear to be essential for the restoration of ethnic balance, but can come at the expense of minority interests and heighten tensions in the future. They may also affect the neutrality of the UN in the perception of the people of the affected country and result in long-term disharmony.

The role the United Nations in supporting national reconciliation must involve assistance through a system-wide, coherent needs-based approach which can result in the consolidation of security and peace, democracy, economic freedom, social order and justice. In all these areas the United Nations should play a basically supportive role.

Thank you, Madam President.

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389. Statement by Permanent Representative at the United Nations V. K. Nambiar on "Threats to International Peace and Security caused by terrorists acts", at the Security Council.

New York, March 4, 2004.

Mr. President,

We felicitate you on your assumption of the Presidency of the Security Council for March. We also congratulate the Ambassadors of Chile and China for their adroit and capable stewardship of the Council during the months of January and February, respectively.

Mr. President,

We thank you for providing us with this opportunity for conveying our views on recent developments in the collective fight of the international community against terrorism. This debate assumes particular relevance in the context of ongoing measures to introduce significant and far-reaching

changes in the structure and functioning of the Security Council's Counter-Terrorism Committee. We congratulate Ambassador Arrias of Spain for his exemplary Chairmanship of the Committee.

Mr. President,

India's exposure to the ravages of terrorism for over two decades and the loss of thousands of lives has only strengthened our resolve to fight this global menace. In the period following the attacks of 11 September 2001, the international community has been galvanised to act individually and collectively against the threat of international terrorism.

These measures have had considerable impact in restricting, curtailing and limiting the space within which terrorist groups can operate. The most important impact has been the gaining perception that terrorism cannot be condoned or supported as legitimate activity. Justifications, on diplomatic, political, religious or any other grounds, for support to terrorism remain untenable.

The UN in general, and the Security Council in particular, has taken firm strides in the post 9/11 period to create and carry forward international momentum on counterterrorism activities through multilateral means. The Counter-Terrorism Committee, under the capable leadership of earlier UK and Spain now, has been the focal point of such international efforts. As a result, a large number of States have undertaken measures to create the legislative and administrative frameworks required to counter terrorism. Many are moving towards improving their operational capabilities in tackling terrorists and their networks in their respective countries and through global cooperation.

In our own region, the seven Member States of the South Asian Association for Regional Cooperation (SAARC), at its 12th Summit in Islamabad in January 2004, signed the Additional Protocol to the SAARC Regional Convention on Combating Terrorism. The Additional Protocol would update the Convention in order to meet the obligations devolving in terms of Resolution 1373. The SAARC Islamabad Declaration, noting that the people of South Asia continue to face a serious threat from terrorism, condemned terrorist violence in all its forms and manifestations. It recognised that terrorism violated the fundamental values of the United Nations and the SAARC Charter and constituted one of the most serious threats to

international peace and security.

Mr. President,

In our statement at the Security Council on 18 January 2002, soon after the adoption of Resolution 1373, India had made the following recommendations to the Counter-Terrorism Committee:

- That its focus should extend to groups that are known to perpetrate terrorism;
- It should be pro-active in seeking views, in particular, from States affected by terrorist acts;
- It should not be leave unchallenged or unaddressed claims of moral, political and diplomatic support for terrorism, which were clearly in contravention of Resolution 1373; and
- It should institute more effective measures to deny safe haven to terrorists and to seek their extradition.

Undoubtedly, a lot has been achieved over the past two years. However, continuing acts of terror in different parts of the world by the Al-Qaeda/Taliban, their sympathisers, or groups with similar propensity to achieve their questionable objectives, illustrate the continued vulnerability of the international community in this regard. The international community has to persevere in its efforts to interdict and neutralise terrorist organisations and their networks through dynamic measures designed for maximum global reach. The CTC could increase its effectiveness by going beyond building legislative capacity to improving the operational and administrative capabilities and co-operation among States in their counter-terrorism efforts.

We have seen the report of the CTC Chairman on the "Proposal for the Revitalisation of the Counter-Terrorism Committee", recently adopted by the Committee. India is fully committed, in principle, to any proposal that enables the CTC to improve its effectiveness and strengthen the fight against terrorism. The CTC's effective monitoring of Member States' compliance with the provisions of Resolution 1373 is an objective that India has supported since the adoption of the resolution.

At the same time, new systems do require a certain amount of introspection and clear articulation before they are instituted. Those that

may have long-term implications on the functioning of the Council and the UN, and possibly having a bearing on Member States themselves, cannot be considered the sole preserve of the Council. Although some of the questions relating to the proposal on the Counter-Terrorism Executive Directorate (CTED) may well have been addressed and possibly answered in the course of the debate today, the following questions come to mind:

- What kind of a precedent are we creating by the establishment of an enhanced mechanism such as the CTED within the Security Council?
- Is there sufficient rationale for a separate structure within the UN Secretariat?
- How effective would a large body of 20 experts be in terms of cost and performance?
- How does the Council propose to ensure the accountability of the CTED, its institutionalised accessibility to and appropriate consultation with Member States on their concerns and priorities?
- Have the financial implications of the establishment of the CTED over a period of three years and the need for its consistency with regular budgetary, administrative and financial practices been fully considered?

Other issues that need to be considered are:

- Recruitment of experts in terms of geographical representation, noncontroversial credentials, objective selection, diversity of background, expertise and experience; and
- Avoidance of duplication and overlap in the functioning of different agencies/bodies elsewhere within the UN system, engaged in capacity- building on counter-terrorism, with the CTED.

Mr. President,

The overall message India, like most other member States would like to convey is of unstinting support for counter-terrorism efforts arising from the Security Council.

Notwithstanding the above questions, the efforts of the CTC to institute effective measures within a transparent and calibrated system will receive our firm support and cooperation.

Thank you, Mr. President.

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390. Statement by Permanent Representative at the United Nations V. K. Nambiar at the Special Committee on Peacekeeping Operations.

New York, March 30, 2004.

Mr. Chairman,

May I begin by congratulating you and other members of the Bureau on your re-election. I should also like to thank Under-Secretary-General Guehenno for the clear presentation yesterday morning, an apt curtain raiser to our deliberations in this important Committee. We associate ourselves with the statement delivered by the distinguished representative of Morocco on behalf of the Non-Aligned Movement.

Mr. Chairman,

The past year has seen a surge in UN peacekeeping operations and the process continues in 2004. Currently, the UN has a total of 42,000 troops on ground and by the end of the year, if anticipated missions are put into place, this figure is expected to touch an all-time high. Along with growth comes many challenges and while the past year has seen progress in some areas, much more needs to be done if we are to meet these challenges. The report of the Secretary General (Document A/58/694) does well to list some of these challenges, even though it does little to address many of the ills that continue to plague UN peacekeeping. We shall now turn to a discussion of some of the areas in the report that we feel warrant particular attention.

Safety and Security of UN and associated personnel:

We accord the highest priority to the safety and security of UN

peacekeepers and associated personnel and are in agreement with the Secretary General that this is one of the major challenges confronting us. While we would, as a consequence, support ongoing efforts to strengthen existing mechanisms, we do not subscribe to the position that a review of the systems and procedures for safety and security both at Headquarters and in the field should necessarily end with a request for additional bodies or large sums of money. Rather, the emphasis should be on enhancing the UN's threat assessment and information–management capacities, recommending preventive action based on those trends, both at Headquarters and in the field.

The question of accountability and responsibility in the area of field security is also a key issue. Has the UN pin-pointed the cracks in the system and has responsibility been fixed upon the individual, the management or the system, as the case may be, when breaches have occurred?

These questions bear serious scrutiny. The Secretary General's report on the management of the United Nations Security system is still in its draft stages. While we do not, in principle, disagree on the need for a safety and security focal point within the DPKO, we feel that it would be desirable to first take a look at the report and specific proposals contained therein, before we rush into any premature agreement in this regard. We should also like clarification of the lines of responsibility between the United Nations Security Coordinator (UNSECOORD) and DPKO and the levels of cooperation and co-ordination envisaged between the two Departments, particularly in the event of a favourable decision being taken to set up a full-time security and safety focal point within the DPKO, as requested in paragraph 10 of the Secretary General's report.

Strengthening Cooperation with TCCs:

We welcome the increased frequency in briefings by the Secretariat on specific peacekeeping operations and generic peacekeeping issues. This should continue. Regrettably, however, there has not been significant "growth" in levels of cooperation among the Security Council, the Secretariat and Troop contributing countries. Meetings under the 1353 mechanism, leave much to be desired. These meetings continue to take place, in a 'pro forma' fashion, the day before the Council adopts a resolution; at that stage, the views of troop contributors can only be of academic interest sought for form's sake. It is not surprising, therefore, that these consultations do not

arouse any interest, are devoid of content, and have no bearing on the Council's decision. This pattern has to change. Timing and the frequency are key elements.

Meetings with the TCCs must be held much before the Council mandates or renews an operation, when views of TCCs can contribute to the decision-making process and on a regular basis and with predictable periodicity with a view to making the relationship more genuine and meaningful.

Mission Planning: Integrated Mission Task Force

We recognize the utility of Integrated Mission Task Forces (IMTFs), particularly the early involvement of mission leadership, that will take on the task of mandate implementation in the field and the bringing together of the relevant UN Departments to foster coordinated and effective action. We would urge the Secretariat to share with us best practices and lessons learnt from these planning activities and constraints, if any, in this process. Para 19 of the Secretary General's report informs us that a review of the full integrated planning process has been undertaken, a draft template finalized and discussions within the Secretariat have begun on its broader application. If this is indeed the case, we would request the Secretariat to share details with TCCs.

Rapid Deployment:

The Secretary General's report mentions in paragraph 20 that full deployment in 90 days "is a difficult goal to attain". The concept that looks excellent on paper has inherent drawbacks, akin to a traveller's cheque that can only be encashed if signed upon. Regrettably, there are only very few countries willing to sign on the dotted line and we rue this lack of commitment on the part of the developed world. While India is seized of the need to deploy rapidly, it must be appreciated that democratically elected governments, answerable to electorates, cannot take decisions in an arbitrary way on participation, without going through established procedures.

Besides, it has been our experience that even when TCCs are ready to deploy, capacities of local air and seaports where PKOs are launched, are usually so limited that the arrival of troops must be staggered. These systemic features must be factored in and drawbacks that continue to persist

removed. Dissemination of more timely and accurate information to TCCs on upcoming missions is necessary, back-stopped by efficient management of the administrative and financial aspects, if deployments are to become truly effective and rapid.

As regards the on-call lists, both military and police, our impression is that these are being somewhat under-utilised and we would urge the Secretariat to make more liberal and effective use of them. Proper maintenance, updating and utilisation of these lists would help reduce the lead time for deploying core mission personnel to future operations. I would be remiss if I did not add here that India is one of the few countries that have committed personnel to both lists.

The concept of Strategic Deployment Stocks (SDS) is a vital link for rapid deployment. SDS have proved to be beneficial, both in increasing the speed of deployment and in helping to reduce the equipment bottlenecks that hampered rapid and effective deployment of past operations. Paragraph 28 of the Secretary General's report mentions that work is underway to develop a funding mechanism that will enable rapid replenishment of the stocks earmarked for or issued to a mission. We hope to hear more from the Secretariat in the coming months on SDS replenishment strategy, which ideally should have been promulgated in 2003 itself when the concept was at its nascent stage, thereby obviating the procedural snags that we are facing now.

Civilian Police:

The role of civilian police in peacekeeping operations has expanded and intensified. We understand that police deployment today is around 4,600. Given this heightened profile, and consequent need for CIVPOL to be involved in planning from the initial stages of a mission, we presume that the UN is already inducting the civil-military component together while assessing needs of a new mission. This coordination between the Military and Police Division should be an integral part of the multi-disciplinary assessment teams that visit mission areas.

As regards the operational issues, we feel that there is room for improvement. The instance of the Selection Assistance Teams (SATs) that help choose personnel for a particular mission is a case in point. SATs could cover several missions at one time, because even though each

operation has its own special needs, the broad quality of CIVPOL needed remains the same.

This would obviate the need for the Secretariat to field separate teams for each mission and member states would not have to repeatedly arrange rosters for them to interview. There would be considerable savings for both.

Training:

We take note of the continuing progress achieved this past year in the area of training, in particular development of the Standardised Training Generic Modules (SGTMs). While we support the concept of specialized training which the SGTMs entail, we do not subscribe to the theory of " training for training's sake" and training on routine skills. It is presumed that the UN takes on board officials versed in the basic skills. We have also taken note of paragraph 59 of the report which mentions that the DPKO is developing an evaluation methodology and monitoring system to enhance peacekeeping training and effectiveness. Now that there is a training standard, it stands to logic that mechanisms should be put in place to monitor progress.

What we would, however, like to know is how close the Secretariat is to its goal of standardising training among TCCs and the extent to which best practices and lessons learnt have been incorporated into training.

Paragraph 61 of the Secretary General's report mentions that a "new focus has been placed on mission training, particularly on pre-deployment training". Training is also being conducted for contingents, at the specific request of TCCs. This is useful, particularly for those countries that may not have the requisite infrastructure or wherewithal. As far as India is concerned, we should like to inform the Committee that we conduct a rigorous six-week pre-induction training package both for MILOBs and contingents, at the Centre for UN Peacekeeping (CUNPK), New Delhi. The course content includes, inter alia, general awareness of the UN, mandate, ROE, safety measures, human rights, HIV/AIDs awareness and language skills.

Considerable resources and efforts go into this training package which we see as an investment in more effective peacekeeping operations.

Quick Impact Projects:

We support the emphasis on small-scale and rapidly-disbursed Quick Impact Projects (QIPs), quick and ready solutions to sustain confidence and support for peacekeeping operations. The Indian Army has a sterling reputation across the board in all missions of having contributed material from its own resources for the furtherance of QIPs. We believe that each mission's budget should include, from the beginning and upto two years a budget line for such projects; projects should as far as possible be quickly implemented and funds should be used for defined purposes.

Lessons Learnt and Implementation of Best Practices:

The Peacekeeping Best Practices Unit (PBPU) became operational in 2003 and expectations were that the Unit would serve as a nerve center within the DPKO for research and evaluation of peacekeeping issues and for the development of improved procedures and practices based on those studies. While we would like to register our appreciation for the recently printed "Handbook on Multi-dimensional Peacekeeping Operations", the same unfortunately cannot be said for best practices and lessons learnt from a peacekeeping operation. We have not seen evidence so far of any sharing of information on lessons learnt from a peacekeeping mission with either the TCCs or with other ongoing peacekeeping missions. We hope that the Secretariat will be forthcoming in this regard and look forward to hearing from them on lessons learnt and best practices being followed, in the coming months.

Conduct and Disciplinary Issues:

We agree that all personnel accredited to UN Missions must function in a manner that preserves the image, credibility, impartiality and integrity of the United Nations. Acts of omission and commission by peacekeepers that detract from this image are unacceptable and we endorse the UN's stance of zero tolerance in this regard. Peacekeepers must be made fully aware of their duties and obligations and the consequences of misconduct. This aspect should form an integral part of the pre-deployment and in-mission training being conducted by the UN, of all peacekeeping personnel.

Where cases of alleged misconduct occur, we would emphasize that such cases be handled through cooperation between troop contributing

countries concerned and the Mission leadership. The troop contributing country concerned should be involved from the very outset in an investigation into any case of alleged misconduct. Results of internal investigations/ Boards of Inquiry (BOI) must be shared fully with TCCs and a copy, handed over to them, at the earliest stage possible. It is a right that troop contributors are entitled to, as much as the Secretariat is entitled to insist on details of follow up action by national authorities after an individual has been repatriated.

Finance and Budgetary Issues:

We wish to place on record our appreciation for the efforts made by the Secretariat this past one year to process COE claims and in the clearing of backlogs. The matter, however, continues to be linked to payments by member states of their assessed contributions and we would, in this regard, encourage them to do so in full, on time and without conditions. We also feel that it would be extremely useful to complete tasks in a time-bound fashion. In this connection, the expeditious liquidation of missions is of paramount importance. Liquidation involves not only withdrawal of troops and the civilian component from the mission area, but also speedy processing of claims, payment to TCCs and an eventual closing of the books of account.

With a streamlined reimbursement process of COE and troop costs and simplified death and disability claims procedures, there is no reason why books of account should not be closed within eighteen months of the closure of a mission. Action on disposal of assets needs to be taken on a priority basis and the mission's unliquidated obligations reflected transparently in the final performance report. We should also like to draw the Secretariat's attention to unliquidated obligations pertaining to missions such as UNTAC, UNOSOM and ONUMOZ that were closed over a decade ago. Ongoing differences of opinion between the UN and the member states concerned about the quantum of assessments from member states continue to delay and derail this process. There is urgent need to address the problem.

We wish also to register our serious concern over the recently concluded proceedings of the COE Working Group, which is mandated to undertake a triennial review of reimbursement rates. While the deliberations were extensive, results were disappointing. There appeared to be a total

lack of appreciation of the position of TCCs and worse, a perceived mistrust of data supplied by them. New methodologies and systems, as a consequence, were sought to be introduced even before existing methodologies have run their full course. It is regrettable indeed that this spirit imbued the consultations, culminating in a total logjam and no upward revision of rates of reimbursement, both for troop costs and COE, for TCCs. We would hope that wiser counsel prevails when our Fifth Committee colleagues discuss the subject later in the year.

Should, however, the situation persist to the dissatisfaction of the troop contributors, it can only be UN Peacekeeping that will suffer.

With regard to the proposal made by the Secretary General in paragraph 97 of the report, we would continue to reiterate the futility of establishing dual mechanisms to "facilitate a more regular review of the administrative aspects of the COE system". We feel that the triennial review mechanism currently in place should suffice. Should there be administrative aspects that need urgent review in the interim period, these can be taken up by member states directly with the Secretariat or discussed in the annual meetings of the C-34.

As regards review of the United Nations Ration Scales (paragraph 98), while we can appreciate the need to streamline and refine procedures, we wish to reiterate that clear rationale and logic for doing so, transparency in procedures and methodologies proposed to be adopted, and close consultation with troop contributors in this process, must remain the bottom-line. The touchstone for any system of review should be to promote coherence, equity, fairness, transparency and flexibility while reducing cumbersome procedures. Anything less than that would not be acceptable to us.

Mr. Chairman,

I have touched upon only some of the issues that this complex subject entails, those that are of particular concern to my delegation. India has an unmatched record of having participated in almost all peacekeeping operations since the inception of peacekeeping in the 1950s. We continue to remain committed to this ideal and in refining further and forging better the instrument that has served us so well in the past, and can serve us

even better if we cure it of some of its troubles. It is in this spirit that we hope to participate in the deliberations of this Committee and during the course of 2004.

Thank you, Mr. Chairman.

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391. Statement by Permanent Representative at the United Nations V. K. Nambiar on the situation in Afghanistan at the Security Council.

New York, April 6, 2004.

Mr. President,

I congratulate you on Germany's presidency of the Council for April. I also congratulate Ambassador de La Sabliere of France for his stewardship of the Council during March.

Mr. President,

It is ten months since we last had an opportunity in the Security Council to consider the situation in Afghanistan. This open debate takes place in the wake of the International Afghanistan Conference that concluded in Berlin on 1 April.

The Berlin Conference was held at a critical juncture. It enabled the international community to take stock of the achievements since Bonn. More important, it provided an opportunity to plan further consolidation of these gains by facilitating elections, strengthening security and political institutions and providing the requisite basis for Afghanistan's reconstruction and development. India, as a participant of the Berlin Conference, welcomes its results and congratulates the four co-chairs, the United Nations, Afghanistan, Germany and Japan, for their role in securing this success.

The successful conclusion of the Constitutional Loya Jirga and the subsequent adoption of the new Constitution were milestones in the Bonn process. We congratulate the Transitional Government led by President Karzai for the progress achieved since the Bonn Agreement. We welcome

the announcement by President Karzai to hold the Presidential and Parliamentary elections simultaneously in September this year.

After decades of conflict and destruction, it will take time and patience for a fully functioning democracy to take root in Afghanistan. Till then it has to be nurtured carefully. Consolidation and extension of central authority requires a broad-based governmental process, and the country must be free from outside interference.

The international community's approach to Afghanistan has to be realistic and must take into account the complexities and difficulties on the ground. Forward movement in the electoral exercise in Afghanistan would depend much upon progress in voter registration. A balance between speed and stability is essential for the success of the political process. Realism also demands a degree of flexibility in dealing with the situation.

Mr. President,

The Berlin Declaration of 1 April first highlighted the common resolve of the international community to defeat terrorists who undermine security and reconstruction efforts in Afghanistan. To objective observers of the situation in Afghanistan it is evident that the peace and stabilization process there remains fragile. The biggest threat to stability in Afghanistan continues to emanate from terrorism as currently manifested in the incidents of violence in the country, particularly in south and south-east Afghanistan. Therefore defeat of the forces of terrorism and demolition of the infrastructure of terrorism must necessarily be the first priority.

The report of the Council's mission to Afghanistan in October-November 2003 led by you, Mr. President, concluded that the three main sources of insecurity in Afghanistan were terrorism, factional fighting and drug production and trafficking. Under the sub-heading terrorism, the report also noted that "in the provinces of the south, south-east and east, insecurity is greatly exacerbated by terrorist attacks from suspected members of the Taliban and Al Qaida, and supporters of Gulbudin Hekmatyar."

Unfortunately, the situation is no different today. Continuing terrorist attacks by regrouped Taliban and Al Qaeda elements constitute the primary source of insecurity in Afghanistan. These attacks are also aimed at obstructing delivery of reconstruction assistance. The assassination of

UNHCR international staff member Bettina Goislard in November 2003 and attacks against UN agencies led the Secretary General to report to the Council on 30 December 2003 that "attacks on international and national staff of the assistance community and officials of the central Government" had placed "much of the south and south-east of the country"…"effectively off limits to the United Nations, the assistance community and central Government officials." In his current report of 19 March 2004, the Secretary General states "insecurity in the country continues to follow a well-known pattern and has shown no signs of significant improvement" …. "Attacks by extremist elements on aid-agencies, both national and international, and nongovernment officials, continue to occur, predominantly in the southern provinces."

Despite the continuing threat assessment, the SG's latest report and the statement of the ASG for Peacekeeping Operations in his briefing to the Council on 24 March, made scant reference to security threats by Taliban or Al Qaeda terrorists, preferring to attribute such actions to "extremists". As the general membership is not privy to closed discussions between the Council and the Secretariat, we would like to understand the reasons for such downplaying of threats to Afghanistan from terrorist groups, particularly in the south and the south-east of the country.

Consideration of these recent reports of the UN Secretariat brings to mind a number of relevant questions. Is it the UN's view that these groups no longer represent a threat to Afghanistan or are these reports and briefings in the Council the product o fsome compromise? Or, did the absence of any reference to these organizations imply that the work of the Security Council's 1267 Committee on the Taliban/Al Qaeda had achieved closure, at least in Afghanistan? It will not be incorrect to say that the steady dilution of reporting on Afghanistan over the past year or so has not always been fully consistent with the position on the ground. In our view, the reports of the UN Secretariat must be objective, far more discerning and reflective of the ground realities.

Mr. President,

Incidents of violence reported in other parts of Afghanistan are also a matter of concern. However, it is our expectation that the political process will subsume these local pressures and interests. The success of the Constitutional Loya Jirga is a significant indicator in this direction. Leaders,

with diverse interests, from all parts of the country, participated in the Constitutional Loya Jirga; they became part of it and ensured that it did not fail. A democratic political process in Afghanistan would absorb in its fold the varying interests as indeed happens in all democracies throughout the world.

We agree that continued international presence is essential to discourage the resurgence of negative forces. However, long-term stabilization of the country requires the building up of national security institutions led by Afghans and entrenched in Afghanistan's ground realities. Unfortunately this process has not moved so far at the desired pace. India remains ready to contribute to rebuilding Afghan security institutions, in whichever way possible, in coordination with our Afghan and international partners.

The sharp rise in the drug production and trafficking is a matter of serious concern. Apart from undermining the process of political and economic reconstruction in Afghanistan, this has dangerous repercussion for the region and beyond. The international community must act quickly to curb opium cultivation by providing Afghan farmers with economically viable and sustainable alternatives.

Mr. President,

In view of our historical ties of friendship and cooperation with Afghanistan and the Afghan people, India has made a substantial contribution to Afghanistan's reconstruction effort. Despite our constraints and the fact that we are not a traditional donor, our present commitment adds up to US $ 284 million, including 1 million tons of wheat aid. With the implementation of a number of planned projects, India's financial commitments for Afghanistan's reconstruction would amount to around US $ 400 million. Out of our initial financial commitment of US $ 100 million for Afghanistan's reconstruction, made at Tokyo Conference in January 2002, US $ 85 million has been already operationalized. India had announced a commitment of US $ 70 million for the construction of Zaranj-Delaram road in Afghanistan, which has been subsequently raised to US$ 84 million based on the detailed assessment of the project requirements.

In partnership with the Afghan government, India has undertaken projects in a number of sectors including transportation, civil aviation,

information technology, health, education, agriculture, information & broadcasting, telecommunications, power transmission, banking, urban development, development of water resources and industry, and road construction, We also have an extensive program for rebuilding of institutional capacity through which more than 700 Afghans have received training in India including diplomats, journalists, lawyers, judges, doctors, paramedics, women entrepreneurs, school teachers, officials from the office of the President, Ministries of Agriculture, Light Industry and Food, police officers, airline officials, surveyors and cartographers etc. Our projects have reached out to people in virtually all part of Afghanistan. I am happy to share with you that we have received positive feedback from the Afghan government, as well as the target beneficiaries, on the project priorities, content and mode of implementation.

Some of the major projects operationalized this financial year (2003-04) include reconstruction of Habibia School and the Indira Gandhi Institute of Child Health in Kabul; emergency restoration of telecom infrastructure in eleven provincial capitals in Afghanistan; setting up of common facilities and tool room centre at the Industrial Park at Pul-e-Charkhi; supply of equipment for substations and power transmission line in Faryab provice; drilling of 24 deep wells in Herat province, supply of furniture for schools in Afghanistan; establishing a printing press facility in Kabul; setting up TV uplink facility at Kabul and downlink at ten provincial cities; and setting up a new 100 kw short wave transmitter at Kabul. We have also supplied 115 vehicles to the Afghan National Army and 75 utility vehicles to the Kabul Municipality. We are also supplying additional 126 buses for the public transport system that are on way to Afghanistan.

Our commitment of one million tons of wheat aid to Afghanistan has been operationalized by converting part of it in the form of high protein biscuits for school feeding program in Afghanistan through the World Food Program. The deliveries of the second tranche of this aid have commenced in December 2003. As a result, about 1 million Afghan school children are receiving a package of 100 gms of biscuits every day since the beginning of the programme in November 2002. This, we are told, has also contributed to the back-to-school program.

We have also attempted to encourage trade and investment activity that should lead to enhanced income generation in Afghanistan. A Made in

India exhibition was organized in September 2002 bringing more than 100 Indian companies together to Afghanistan. A Preferential Trade Agreement was signed with Afghanistan in March 2003 providing duty-free or reduced duty access on items of export interest to Afghanistan.

In the coming period, we expect to focus more on infrastructure projects. The work on the construction of the 2002 km road from Delaram to Zaranj is expected to commence by August 2004. We have completed the detailed project assessment on the completion of balance works of Salma Dam Power Project in Herat Province, which will involve an additional commitment of around US $ 80 million, over and above our existing commitment of $ 284 million. I am glad to announce that India government has decided to fund and execute this project. We have also decided to fund the construction of a new Parliament building in Afghanistan. We will work out the details in consultation with the Afghan government.

With these projects, India's financial commitments for Afghanistan's reconstruction would add up to around US $ 400 million. Most of the projects would be completed within the next 2-3 years. The Salma Dam would take 4-5 years. We are also engaged in the detailed survey and investigations on the construction of double circuit transmission line from Pul-e-Khumri to Kabul. We will examine the possibility of executing this project based on the detailed assessment of the project requirements.

India's program of economic assistance in Afghanistan is guided by Afghan priorities and ownership. In the report on Securing Afghanistan's future, the Afghan Government has identified agriculture, human capital, physical infrastructure, and improving security as among its priorities and these are areas where our programs have focused. Our relations with Afghanistan are bilateral and direct. The underlying principle of our cooperation with Afghanistan remains our sole desire to see Afghanistan emerge as a strong, united, independent and prosperous country. We wish to see full consolidation of authority by the central government. Our efforts in reconstruction and other sectors would continue to be directed towards these ends.

Mr. President,

The Berlin Conference has correctly been referred to as a milestone in Afghanistan's peace process. Its success lay in positively galvanizing

international support for Afghanistan's political, electoral, economic and financial evolution into an independent, responsible and contributing member of the international community. It is therefore all the more important that the expressions of support made at Berlin be given practical dimension in the critical months ahead.

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392. Statement by Permanent Representative at the United Nations V. K. Nambiar on "The Situation in the Middle East" at the Security Council.

New York, April 19, 2004.

Mr. President,

I thank you for scheduling this open debate of the Security Council on the situation in the Middle East at this short notice.

The targeted killing of Hamas leader Abdel Aziz Rantisi is unjustified and unacceptable and cannot be condoned under any circumstances. Such action, following closely on the killing of the Hamas spiritual leader Sheikh Ahmed Yassin, can only lead to further destabilization of the already fragile situation in the region and escalation of the cycle of violence and counter-violence.

As is known to all, India has consistently opposed all acts of terrorism, including cross-border terrorism. There can be no justification for terrorism in any form and from any source.

We believe that the need of the hour in West Asia is moderation and restraint so as to enable peace negotiations to restart at the earliest. The violence must be halted and both Israelis and Palestinians must work together towards a viable negotiating process aimed at a just, lasting, comprehensive settlement based on the Roadmap, outlined by the Quartet. We have reiterated several times in the past that the Quartet Roadmap provides the only existing way forward for the attainment of the vision of two States, Israel and Palestine, living side by side within secure and

recognised boundaries, based on Security Council resolutions 242, 338, 1397 and 1515.

Thank you, Mr. President.

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393. Statement by Deputy Permanent Representative at the United Nations A. Gopinathan on Veto at the Open-ended Working Group on Security Council Reforms.

New York, April 19, 2004.

Mr. President**,**

We commend you for organising this meeting of the Working Group to discuss one of the important issues in the reform process of the Security Council.

The discussion on the veto straddles both the Cluster I and Cluster II issues.

While it is a vital aspect of the expansion process, it is also a major device of its decision-making procedure. In actual terms, its heavy use during the Cold War period has gone a long way to discrediting the veto system. While it has been utilized somewhat sparingly since the end of the Cold War, the **threat of its use** has been equally pernicious.

What, however, are the alternatives we have with us? A realistic view of the situation today suggests that the P-5 will not be amenable to abolish this prerogative exclusive to them under the Charter. The only conceivable fallback would be to temper its use until a political climate is created for its eventual phase-out and elimination.

We have had occasion in the past to make a comprehensive statement on the veto, and it is not our intention to do so again. Without being discursive, therefore, I shall highlight some main points.

Veto: An Anachronism

The veto power is an anachronism. In negotiations on the Charter,

the P-5 gave three broad reasons for insisting on the veto: unanimity among them was essential for maintenance of world peace, enforcement action could not be taken against one of them, and the veto would reflect the then distribution of military and industrial power. We have had occasion to point out earlier that none of these three reasons currently obtain, if they ever did. The veto has not prevented the world being divided into rival blocks or continual violence in the form of proxy wars. Enforcement action has never been contemplated against any permanent member. And, finally, the poles of industrial and military power have shifted. The question can legitimately be asked, on what grounds do they continue to retain this privilege? The answer of course is very simple. It is the veto that protects the veto.

Actual use of the veto/ threat of the veto

Between 1945 and 1990, 240 vetoes were cast. Since 1990, while the power has been used more sparingly, it continues to be hijacked by ideological demands and narrow national interests. And yet these statistics do not reveal the true defect of the institutional arrangement. The Security Council consistently fails even to consider the issues which are liable to be vetoed by a member or members of the P-5. NATO initiated military action against Yugoslavia, under the imprimatur of the United States and the United Kingdom without receiving Security Council authorization. The recent case of Iraq is another example. There have been other instances in the recent past when the silence of the Security Council has been deafening. This threat of the veto gives the P-5 absolute power. It represents a complete erosion of the principles of transparency and accountability in the working methods and procedures of the Security Council, an indispensable element of the reform process that we are presently engaged in.

Constitutional change within the UN is possible and thus worthy of a fuller discussion. A proper examination about the defects of the veto might at the least yield a more constructive interpretation of its nature and application. An informed awareness of the potential for the Security Council to be bypassed or hijacked might lead to pressure for exercise of the power in accordance with the aims of the Charter.

Certain questions are particularly relevant. Should we contemplate restricting the use of veto to only issues under Chapter VII? Can a permanent member be at liberty to veto a decision on a matter in which other Council members perceive an existence of a specific national interest of the vetoing

power? Should a weighted voting system take the place of the veto system? Should there not be a system to overrule a single member veto? Should the Council itself or the General Assembly not be given this power of overrule?

However, **Mr. President**, we have to be practical and realistic. We are aware that it will take the unanimous agreement and consent of the P-5 to modify or abolish the power of the veto - a wild dream in the world of realpolitik and an ideal world condition in which – as the late Defence Minister of India, **Krishna Menon** had said, "**the day we can get rid of the veto, there is no reason to get rid of it**".

On balance, therefore, **Mr. President**, my delegation would hope to strive towards creating conditions which can reduce the chances of the use of veto, or make its exercise more difficult, thus paving the way for its eventual phasing out. Several ideas have been put forward, by the Non-Aligned Movement and these deserve serious consideration. One option is to consider the modality followed in some national legislatures where the executive has a veto power which the legislature can override, even if only to seek reconsideration of the issue afresh by the executive. The General Assembly should be enabled to exercise some such power. Admittedly the threshold for the exercise of such powers should be very high but the existence of such power itself would serve as a useful deterrent against the exercise of the veto.

We express our readiness to explore further with other delegations imaginative ways of dealing with this important and difficult question.

Thank you, Mr. President.

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394. Statement by Permanent Representative at the United Nations V. K. Nambiar on "Non-Proliferation of Weapons of Mass Destruction" at the Security Council.

New York, April 22, 2004.

Mr. President,

We appreciate this opportunity to express our views on the vital issue of the nonproliferation of weapons of mass destruction in an open session of the Security Council today. The threat of terror and WMD proliferation coming together is a real one and should clearly be an issue of the highest priority for the international community.

As a victim of terrorism for almost two decades, India understands the dangers that the transfers of such weapons of mass destruction to non-state actors could entail. It is this realization that prompted India to pilot a resolution on "measures to prevent terrorists from acquiring weapons of mass destruction", adopted by consensus by the last two sessions of the General Assembly.

We perceive today's discussion as a logical continuation of the process initiated in the General Assembly. Hence the validity of the focus on 'non-state actors' in the draft resolution. However, this in no way diminishes state accountability on combating terrorism, in eliminating its support infrastructure or linkages with WMD. As in the case of terrorism, state accountability cannot be absolved on grounds that proliferation was the result of private enterprise.

The co-sponsors of this draft resolution have stated that the intention behind their initiative is to fill a gap in the non-proliferation regime, one that, if negotiated through the multilateral framework, could take years. In our view, the issue should ideally have been addressed through existing international instruments and by building on them. The BWC and CWC, the only two non-discriminatory, disarmament treaties, provide for international cooperative efforts for assistance and protection against these mass destruction weapons. We have also supported addressing the issue of radiological weapons at the Conference on Disarmament, in view of the growing concern about radiation dispersal devices.

Our recognition of the time imperative in seeking recourse through the Security Council does not, however, obscure our more basic concerns over the increasing tendency of the Council, in recent years, to assume new and wider powers of legislation on behalf of the international community, and binding on all states. In the present instance, the Council seeks to both define the non-proliferation regime and monitor its implementation. But who will monitor the monitors? We are concerned that the exercise of legislative functions by the Council, combined with recourse to Chapter VII mandates, could disrupt the balance of power between the General Assembly and the Security Council, as enshrined in the Charter.

The issue goes beyond a mere legal consideration of the Council's allocated powers under the Charter. The credibility and even respect that the Security Council can garner would depend on its actions being the product of internal cohesion and universal acceptability. Though resolutions such as 1373 were adopted unanimously, the limitations in their implementation underscore the need for caution on the Security Council being used as a route to short-circuit the process of creating an international consensus. Exhaustive and excessive reporting obligations resulting from UNSC 1267 and 1373 have led to repetitive reporting exercises and burdensome bureaucratic structures without commensurate results on the ground.

In returning to the theme of non-proliferation after 1992 after a over 12 years the Council's credentials are not helped by its track record. Exclusive focus on nonproliferation does disservice to the essential principle of the mutually reinforcing linkage between disarmament and non-proliferation, recognized since SSOD-I. Such approaches erode the collective effort essential for building confidence among states and enabling them to focus on common threats. International treaties or agreements in this field should be multilaterally negotiated not imposed. They should be based on a balance of obligations to ensure universal adherence- the true test of legitimacy and credibility.

To our mind, export controls are not an issue on which the Security Council should prescribe norms. There is tension between ad hoc arrangements on harmonizing export controls among a select few countries on the one hand, and measures being put forward by the Council, on the other hand, intended for universal application. The flip side of export controls

is indiscriminate technology - denial, to states with legitimate socio-economic needs. Recent cases have thrown the spotlight once again on the inadequacies of the current regime. They have also shown that far from effectively addressing genuine proliferation concerns, export controls on sensitive technology and materials have served to deny these technologies to responsible nations who play the game by the rules.

India has taken note of the observations of the co-sponsors that the resolution does not prescribe adherence to treaties to which we are not a State party. On our part, we shall not accept any interpretation of the resolution that imposes obligations arising from treaties that India has not signed or ratified, consistent with the fundamental principles of international law and the law of treaties. India will not accept externally prescribed norms or standards, what ever their source, on matters pertaining to domestic jurisdiction of its Parliament, including national legislation, regulations or arrangements which are not consistent with its Constitutional provisions and procedures or contrary to its national interests, or infringe on its sovereignty.

A word of caution on the definitions and terms will be in order. By applying traditionally understood categories of arms control in novel areas in which definitions are not well established we may be creating grounds for differing interpretations. This problem can be compounded by differing national capacities among states to carry out their obligations. A 'one-size-fits-all' approach will not work. The draft makes a reference to "non-state actors" as those identified in the UN list, which may not be exhaustive.

While being under Chapter VII, the resolution ought to steer clear of any coercive or punitive approach or follow-up mechanism, which would defeat its very purpose. We have noted the sponsors' assurance that the use of force is not envisaged or authorized by this resolution. Transparency and inclusiveness in this regard is crucial. Given the far reaching scope of the resolution, it stands to reason that membership of the relevant Committee is not restricted to that of the Council, but also includes member states which have significant capabilities and expertise in related fields.

Having said this, it must also be stated that a resolution which enjoins States to adopt and enforce effective laws to negate transfer of WMD for terrorist purposes and to establish effective domestic controls to prevent WMD proliferation, cannot but be supported by the international community.

Most Member States see the undoubted utility of urgent measures to foster cooperative actions at a multilateral level as envisaged in the resolution.

As a matter of national policy**,** conscious of its responsibilities arising from the possession of advanced technologies, India is committed to an effective and comprehensive system of export controls, to deny unlawful access-whether to states or non-state actors. Our national effort is based on a policy anchored on a conscious decision to prohibit or control export of WMD-usable materials, equipment or technologies or their delivery systems.

Mr. President,

The crisis underlying the non-proliferation order is a matter of deep concern to India since the infirmities of the present order have adversely impacted on our security. It would be a precarious paradox if individual state actions, despite this resolution, condone instances of proliferation or reward proliferant states by other means.

We believe that meeting new proliferation challenges requires fresh approaches, pooling together the efforts and resources of the international community. In the 1992 Security Council Summit on Non-proliferation, in which India participated, we had called for a new international consensus on non-proliferation. We renew that call today, with the hope that our endeavors will spur common efforts for mutual benefit and in the interests of a safe and secure world.

Thank you, Mr. President.

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395. Statement by Permanent Representative at the United Nations V. K. Nambiar at the Committee on Information.

New York, April 27, 2004.

Mr. Chairman,

We congratulate you, Mr. Chairman, and the other members of the Bureau on your re-election.

We also express our appreciation to Under Secretary General Shashi Tharoor for the detailed presentation he made yesterday, giving us a clear idea of the changes in DPI's operations over the past year. His tireless efforts have contributed to a reformed or transformed DPI, today. While targetted goals still remain to be met, we have no doubt that under his leadership, the process will reach its logical culmination. We wish to extend our wholehearted support to him and to his team in these endeavours.

I wish to align my delegation's statement with the statement delivered by the distinguished Permanent Representative of Qatar in his capacity as the Chairman of the G-77.

Mr. Chairman,

We have before us the various reports of the Secretary General contained in documents **A/AC.198/2004/2 -** 7. We commend the Secretariat for these documents that build upon ideas put forward over the past year regarding reform, restructuring and repositioning of the DPI. We broadly support the proposals contained in these documents. For the sake of brevity, however, I will not comment on the details of the proposals but highlight only those areas that are of particular concern to my delegation.

United Nations Information Centres (UNICs):

Given the key role played by UNICs, their proposed reconfiguration to make the most cost-effective use of scarce resources, assumes paramount importance. Last year, we welcomed the proposal to restructure UNICs by collapsing these centres into regional hubs. We were then told that **Western Europe (Brussels)** would be the first region to be taken up. This was a region whose centres consumed a major portion of the DPI budget and where the resources thus freed were capable of being diverted

to areas identified as priority. While the first half of the promise has been met with the **Regional United Nations Information Centre (RUNIC) in Brussels** functional since 30 January this year, the second part of the "deal" seems to have slipped. This also undermines the assertion of the Secretariat that the initiative should not be seen as a cost-cutting exercise. Without a firm linkage to plough back resources 'saved' from administrative expenses into operational and programmatic activities of the Centres, it would be difficult to convince member States of the sincerity underlying the effort. We understand that the resources freed from the shutting down of the UNICs in Western Europe have not been fully released, somewhat crippling the entire proposal. We wish to register our serious concern in this regard and, hope that wiser counsel prevails when the matter is taken up by the General Assembly later in the year.

The question of **extension of the regional hub initiative to the developing countries is a delicate one.** While we are in broad agreement with the guidelines and criteria prescribed in the Secretary General's report A/AC.198/2004/3, we would continue to urge that the process be implemented on a case-by-case basis and in consultation with the Member States concerned. We would also, in keeping with paragraph 15 of GA Resolution 57/300, request that a status report on the functioning of the RUNIC in Brussels be made available to the Committee next year, before we consider the question of extending the model to the other regions. We should hope that best practices and lessons learned from the Brussels experience will be duly incorporated in the report, so that we do not repeat the mistakes of the past in the future exercises.

We, however, take note of the proposals contained in paragraphs 43 – 67 of the Secretary General's report (A/AC.198/2004/3) regarding the model to be adapted in the developing countries which, unlike the model employed in Western Europe, would not consist of one large hub, but rather a significant number of **small hub**s, located so as to ensure that distance and linguistic diversity do not inhibit their operation. We are in agreement that no single model can be successfully applied to all regions of the world and welcome the fact that the Department intends to tailor the regional concept to the geographical, cultural and linguistic characteristics of each region.

United Nations Peacekeeping and Public Information:

We welcome the emphasis being placed in the DPI on the need to dialogue and exchange information with substantive Departments, so as to maximise efficacy and efficiency. Cooperation between the DPI and DPKO is especially key, in the context of peacekeeping operations, **where we need to project the success stories of peacekeepin**g. We welcome the steps taken by DPI to increase its involvement in the planning stage of new or expanding peacekeeping operations, as well as the deployment of public information components in new missions. Development of peacekeeping mission web sites is another instance of the enhanced synergy between the Departments. We are, therefore, disappointed to learn from the Secretary General (A/8/694) that public perceptions of peacekeeping are lagging behind the new realities and success of multidimensional complex peacekeeping operations, especially in Africa, which is presently experiencing a surge. We call upon the DPI and the DPKO to work in closer tandem in order to bridge this "information gap". There is, now, more than ever, need to develop a comprehensive public information strategy on peacekeeping operations to ensure "the greatest public impact". This, we feel, can be achieved by greater collaboration and cooperation between the concerned departments, and not simply by a call to augment existing resources.

Annual Programme Impact Review:

We welcome the continuing promotion and refinement of **a culture of evaluation and performance managemen**t, which we have been told, is now an integral part of the reorientation of the DPI. Two aspects, however, are particularly relevant: (i) data collection, valuable as it is to any evaluation exercise, cannot be the only index of performance management; there must simultaneously be emphasis on **data analysis** and possible adaptation of that analysis to improve the system. This should be done on a continuous basis and must be an integral part of the new approach; (ii) the accent on data collection and analysis should not be to the detriment of the day to day work of programme managers. If the right balance is not maintained, we stand to nullify any advantage that may have been gained from the process.

Outreach:

We share the emphasis being placed, through the services of the newly created **Outreach Division** to reach out to specialised target

audiences such as NGOs, research institutions, libraries and academic communities. We recommend that the Department should continue to increase this outreach service in all regions, while at the same time, working towards the strengthening of its role as a focal point for two-way interaction with civil society, relating to the priorities and concerns of the Organisation. The DPI/NGO conference "Human Security and Dignity: fulfilling the promise of the United Nations", held in September last year was one example of how this can be done.

We continue to subscribe to the utility of the flagship publications of the Department, which are invaluable reference points for all matters related to the Organisation, meeting the highest standards of quality and reliability over the past so many years. We particularly welcome the dual focus in the **"UN Chronicl**e", now also available on the UN website, as a journal for academic and education outreach and for informed debates and exchange of information and ideas among educators, policy makers and thematic experts. We are happy that the General Assembly pronounced itself last December on the need for continued publication of the Chronicle and allocated the financial resources for this publication.

UN Website:

The DPI has continued to make impressive strides in the development of the UN website, as seen from the figures contained in paragraphs 39 and 40 of the Secretary General's report A/AC.198/2004/2. We welcome the establishment of the **UN News Centre** in all official languages, which was a promise made last year. At the same time, we would reiterate that this emphasis on new technology should not be at the expense of the more traditional means of communication, which are still the main source of information in most developing countries. While enhancing non-traditional means, the DPI should continue to reach out by utilizing traditional media, print, radio and television, especially through local languages.

Mr. Chairman,

There have been several worthy initiatives undertaken by the DPI since the ball of reform was set rolling more than two years ago. Much has been achieved during this period and most of this is laudatory. More, we understand, is underway. We encourage Mr. Tharoor and the DPI to continue this excellent work. In doing so, we take cognizance that financial

considerations alone should not determine the continuance or discontinuance of a mandated programme. While financial transparency may help member states appreciate the connection between the cost of a programme and its measurable impact, there are some activities worth promoting for valid programmatic benefits, all of which are not tangible and therefore, cannot be quantified, outside of cost considerations. As the voice of the United Nations, indeed its torch bearer whose activities and benefits touch the four corners of the globe, the DPI plays a fundamental role. It should be able to communicate the UN's work effectively to the world's peoples, in whose name the Organisation was established. We should hope that we do not lose sight of this vital aspect.

Thank you, Mr. Chairman.

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396. Latter of Permanent Representative at the United Nations V. K. Nambiar on "Weapons of Mass Destruction" to the President of the Security Council.

New York, April 27, 2004.

Excellency,

The delegation of India has learnt that the Security Council is scheduled to take action shortly on the draft resolution on Non-Proliferation contained in document S/2004/326 of April 26, 2004.

2. India has conveyed its position on the draft resolution in the open debate of the Security Council on April 22. As mentioned in that statement, we perceive the draft resolution as a further step in the process initiated by India in the General Assembly on measures to prevent terrorists from acquiring weapons of mass destruction, and as such we generally support it. Our approach has been that of a responsible State possessing nuclear weapons. We take note of the recognition in the draft of the inherent and mutually reinforcing linkage between disarmament and non-proliferation.

3. My government would like to reiterate its unwavering commitment to contributing to global efforts for preventing the proliferation of Weapons of

Mass Destruction and their means of delivery.

4. At the same time, I wish to state the following:

India is concerned at the increasing tendency of the Security Council in recent years to assume legislative and treaty-making powers on behalf of the international community, binding on all States, a function not envisaged in the United Nations Charter.

India has taken note of the observation of co-sponsors that the resolution contained in document S/2004/326 does not prescribe adherence to treaties to which a State is not a State Party. India cannot accept any obligations arising from treaties that India has not signed or ratified. The position is consistent with the fundamental principles of international law and the law of treaties.

India will not accept externally prescribed norms or standards, whatever their source, on matters within the jurisdiction of its Parliament, including national legislation, regulations or arrangements which are not consistent with India's constitutional provisions and procedures, or are contrary to India's national interests, or infringe on its sovereignty.

5. In view of the importance of the subject, I would request that this letter be circulated as a document of the Security Council.

V.K. Nambiar

H.E. Mr. Gunter Pleuger,
President of the Security Council,
United Nations,
New York.

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397. Statement by Counsellor at the Permanent Mission of India Jaideep Mazumdar on "Administrative and Budgetary aspects of financing of UN Peacekeeping Operations" at the Fifth Committee.

New York, May 4, 2004.

We thank the Controller, Mr. J. P.Halbwachs, the Chairman of the ACABQ, Mr. Vladimir Kuznetsov, and the Mr. Pramesh Bhana, of the Board of Auditors, for the presentation of their reports to the Committee.

We appreciate the improvements made in the content, structure and presentation of the reports of the ACABQ. The integration of the Committee's reports under Agenda Item 118 (Report of the Board of Auditors) and Agenda Item 134 (overview of the administrative and budgetary aspects of the financing of UN peacekeeping operations) is useful as it links outstanding work done by the Board of Auditors with the ACABQ's own observations and recommendations in this regard. The listing of reports considered by the Committee as well as inclusion in the summary information provided at the beginning of each report of the financial impact of ACABQ's recommendations, are welcome additions which will aid our consideration of the agenda items.

The total proposed budget for peacekeeping for 2004-5 amounts to US$ 2.7 billion. This represents a marginal decline from the budget of US$ 2.8 billion approved for the previous year. However, we are aware that a number of new missions are likely to be established or expanded during the year and we shall be mindful of this in our consideration of the proposed budget. We have noted that in preparing the requirements for the support account for peacekeeping operations for 2004/05, account had been taken of the need to ensure capacity to absorb new and expanding missions during the period and to provide for a rapid deployment capability.

At the outset, let me record our appreciation to the Secretariat for the improvements in results based budgeting format including the increase in the number of quantifiable targets and indicators of achievement presented in the budget documents. We also appreciate the increased compliance with the recommendations of the Board of Auditors on peacekeeping issues.

In our last peacekeeping session in May 2003, this Committee had

initiated a resolution on crosscutting peacekeeping issues, which was a welcome development. In that resolution, reports had been sought on issues such as on functional requirements of communications and information technology for field missions, training policy and training related travel costs, and on procurement and contract management for peacekeeping operations. We are deeply disappointed that these reports have not been presented to this Committee in this session. This will certainly affect our consideration of the budget proposals in these areas.

In resolution Resolution 57/318, on the Support Account, the General Assembly had decided that any support account posts that remain vacant for 12 months and any new posts that are not filled for 12 months would require to be re-justified. Regrettably, justification has been provided for posts that have already been filled, thereby defeating the purpose of the General Assembly resolution. We expect that during the course of this session, adequate justification will be provided to the Committee for posts that have remained unfilled for 12 months as on May 1 so that this Committee could take a decision on their continuance or otherwise. Such justification should also include information on how the functions of those posts were provided during the time that the posts were vacant.

In para 18 of Resolution 57/290 B, the General Assembly had urged the Secretariat to expedite recruitment for field missions given the delays of nearly a year that the recruitment process took to fill vacancies. We note with concern that in several Missions, especially in Africa, the vacancy rates continue to be much higher than planned. As the ACABQ has stated, timely recruitment is critical and it is incomprehensible how DPKO would take an average of 347 days to recruit professional staff. We fear that up-coming missions may well be jeopardized unless there is drastic improvement in this area. We are now told that the Galaxy system, which was to have solved this problem, is in fact itself the real problem. The OHRM target of 120 days appears to be a reasonable target that the DPKO should adhere to.

We share the views and concerns of the ACABQ regarding the proposed conversion of as many as 1600 professional and 5000 national staff from the 300 to the 100 series. We would like to emphasize that such policy decisions on staff issues should not be taken without specific authorization from the General Assembly. For those staff who would be completing 4 years service during the course of 2004, we would favour

suspension of all such conversion till the General Assembly has had the opportunity to consider all its implications.

The appointment of staff in many missions at levels lower than authorized and over long periods of time inevitably raises the question whether this Committee is approving posts at the right level and whether the functions could not be performed at a level lower than sought.

While we welcome the efforts of DPKO to promote information sharing on best practices and lessons learnt, we would be more confident of their usefulness if established policies and procedures of the UN were uniformly followed in all Missions. We note with serious concern that in a number of Missions, staff associated with the procurement process were found to be unaware of procurement guidelines. In this connection, we regret that the comprehensive report on procurement and contract management sought in Resolution 57/290 B could not be submitted in time for this session of the Fifth Committee.

We note the Advisory Committee's request to the Secretariat to look into the feasibility of extending the time between rotation of contingents from the existing six months. While this will result in some savings, we believe that this should be first discussed in the Special Committee on Peacekeeping before any recommendation is made. Similarly, we share the ACABQ's concern about the living accommodation of troops and agree with its observation that financial considerations should not be the predominant factor in decisions on such matters as provision of hard-walled accommodation for troops. The same applies for provision of rations to troops where the primary consideration should be the provision of fresh, high quality food to contingents in accordance with established standards, as stressed by the Advisory Committee.

The acquisition for and the replenishment of the Strategic Deployment Stocks takes on an added importance this year on account of the several new Missions that are expected to enter the start-up phase over the next few months. We share the disquiet of the Advisory Committee at the transfer to the United Nations Logistics Base at Brindisi, of vehicles that may no longer be operational or useful in other missions and the possibility that excessive maintenance costs may be incurred in respect of those vehicles.

We concur with the Board of Auditors and the Advisory Committee's recommendation that the Department of Peacekeeping Operations ensure

that all missions implement an assets replacement programme in a cost-effective manner and in strict compliance with the guidelines on life expectancy of assets. We also share the concern of the Advisory Committee and question the rationale for the transfer of vehicles with high mileage from missions in Europe to missions in Africa where operating conditions would be more demanding.

We appreciate the progress made by the Secretariat during 2003 in reducing the outstanding payments due on account of liabilities for troops, contingent owned equipment and self-sustainment. However, we note that the situation with regard to troop cost liabilities has improved only marginally as compared to COE and Self-Sustainment. We deeply regret the serious situation created by the non-payment of assessed contributions for current Missions such as UNMIK by some Member States, which has resulted in non-payment for contingents on the ground for nearly three years.

We welcome the recommendation of the Board of Auditors that the Secretariat continue its efforts to search for avenues to settle amounts owed to Member States that have remained unpaid for long periods of time. In this context, we look forward to discussing during this session any such proposals that the Secretary General may make as requested in para 5 of General Assembly Resolution 57/323. We however regret that the Secretariat was unable to prepare the report on consolidation of accounts that had been sought by the General Assembly last year.

Mr. Chairman

Finally, Mr. Chairman, while we all contribute to UN peacekeeping in our own way, it is only some who put their citizens 'in harms way' as it were. My delegation therefore wishes to record its deep disappointment that the COE Working Group which met in February this year could not arrive at a consensus on important issues such as rates of reimbursement for COE and Self-sustainment as well as on the methodology for revision of the rates of reimbursement of troop costs. My delegation is of the view that this issue should be discussed in this Committee at the earliest possible, which is during the main part of the 59th Session.

We look forward to discussing all these issues during this session.

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398. Statement by Permanent Representative at the United Nations V. K. Nambiar on "the situation in Timor Leste" at the Security Council.

New York, May 10, 2004.

Mr. President,

The Government of India has strongly condemned the heinous terrorist attack in Grozny which resulted in the killing of the President of the Chechen Republic of the Russian Federation. We extend our condolences to the Government and people of the Russian Federation and to the bereaved families on this tragic occasion.

We felicitate you on your assumption of the Presidency of the Security Council for the month of May. I also take this opportunity to congratulate Ambassador Gunter Pleuger of Germany for his capable stewardship of the Council during an eventful month. We are happy to have Senior Minister Ana Pessoa Pinto participating in this session of the Council.

Mr. President,

It has been almost two years since Timor-Leste attained its independence. This period has seen rapid progress in the emergence of Timor-Leste from conflict to confidence as a new member of the international community. In an era characterized increasingly by global conflict and conflagration, the success of this peace-building exercise, spearheaded by the UN, represents optimism and hope for the future.

The comprehensive support of the international community, mainly in the form of assistance for political and socio-economic development, capacity building and security, has been instrumental in facilitating Timor-Leste's emergence as a viable state within the international community. This process needs to be consolidated. India supports the Secretary General's recommendation, as contained in document No. S/2004/333 dated 29 April, 2004, for the extension of UNMISET for a further, one-year phase, to enable Timor-Leste to attain a "critical threshold of self-sufficiency".

The three broad programmes that the extended UN mandate would facilitate appear fully justified, given the reduced size of the mission and the imperative of ensuring a sound and logical conclusion to one of the

most successful exercises in post-conflict peace building that the UN has undertaken in recent years. We note from the Secretary General's report that the first programme for public administration and justice would be undertaken by 58 civilian experts; the second programme, for the development of law enforcement would be advanced through 157 civilian police advisers; and the third programme, support for the security and stability of Time-Leste, would be effected through 42 military liaison officers, 310 formed military and 125 gendarmerie.

These support measures indicate a minimum truncated international presence. The Secretary General has noted in his report that it was the "extraordinary progress" that had taken place which permitted this "swift downsizing in the international presence on the ground", leaving no doubt as to the "momentum of transfer of responsibility to Timor-Leste".

We agree with the Secretary General when he counsels Timor-Leste and its sagacious leadership to further build on and consolidate the gains achieved by taking full advantage of the assistance and by making practical and policy decisions in a timely manner. Among the critical issues that require to be addressed early by the Government of Timor-Leste are the adoption of key legislation for public institutions, preparation for local elections through voter registration and other logistical arrangements, measures to enhance economic development and self-sufficiency and the consolidation of Timor-Leste's security institutions.

Mr. President,

The international community cannot remain permanently engaged. The UN's role and assistance in Timor-Leste would have to cede to the country's growing capacity and confidence in governance. Multilateral assistance of the current scale would also have to be substituted progressively by bilateral and regional cooperation.

India's relationship with Timor-Leste is characterized by exceptionally close bilateral ties marked by full understanding and support for each others' concerns. We welcomed the emergence of Timor-Leste as an independent nation in May 2002 and have keenly followed its successful efforts at democratic institution-building as well as economic development. We have assisted in Timor-Leste's socio-economic development through bilateral technical training programmes in capacity building, university education

and the deputation of experts for rural development. We take this opportunity to compliment the Timorese leadership for its steadfast and exemplary commitment to democracy as well as transparent and accountable governance, which have greatly facilitated nation-building.

The continued cooperation and good relations between Timor-Leste and its neighbours, especially Indonesia, are important not only for regional harmony but also in the larger interest of South-South cooperation. The commitment displayed by the leadership of Timor-Leste and Indonesia towards forging a harmonious, good-neigbourly relationship must find practical expression through completion of agreement upon the land border, resolution of the problems of refugees and provision of socio-economic opportunities for people living on either side of the border.

Mr. President,

In conclusion, I wish to join other delegations in paying special tributes to the former Special Representative of the Secretary General, the late Sergio Vieira de Mello, and to the current Special Representative, Mr. Kamalesh Sharma, for their capable and dedicated leadership, as also to the members of UNMISET and UNTAET for their exceptional contributions. Their actions provide a shining beacon to inspire the international community even as the UN continues in its effort to foster peace and development in other parts of this troubled world.

Thank you, Mr. President.

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399. Statement by Counsellor at the Permanent Mission of India Jaideep Mazumdar on "Improving Financial Situation of the United Nations" at Fifth Committee.

New York, May 12, 2004.

Mr. Chairman,

We thank Under Secretary General Catherine Bertini for her presentation on the Financial Situation of the United Nations.

My delegation associates itself with the statement made by Qatar on behalf of the Group of 77 on this agenda item.

Mr. Chairman,

It is a matter of some satisfaction that in 2003, there has been an improvement in aggregate terms, for the second year running, in two of the three principal indicators of the financial health of the United Nations. The level of unpaid assessments was the lowest in eleven years. Debt owed to member states had come down quite substantially. Cash on hand had, however, declined over the previous year.

These figures do not reveal the whole story and we would need to keep in mind several factors that may impinge adversely on the finances of the UN during 2004.

Firstly, total assessments in 2004 are likely to be very substantially more than what they were in 2003, principally on account of the increase in assessments for the peacekeeping budget. This has the potential for disrupting cash flows if Member States do not pay on time.

Secondly, outstanding peacekeeping assessments were still over a billion dollars in the end of 2003. With the new missions already approved or in the offing, we fear that this figure could grow substantially by the year-end. The level of outstanding regular budget assessments had increased substantially last year over 2002 and we note with concern that the Secretariat expects to end the year in deficit.

Thirdly, the cash situation with regard to the two Tribunals, as well as for UNMIK and MINURSO, is critical and it appears that they will continue to have to be sustained through cross-borrowing.

Fourthly, with the return of cash balances of closed peacekeeping missions to Member States, this cushion previously available to take care of delays in receipt of assessments will no longer be available. We note with concern that the Secretariat expects that during the year, cross-borrowing will be required to finance all three budgets - the Tribunals, peacekeeping missions as well as the regular budget.

Fifthly, it is observed that the outstanding assessed contributions of some of the major contributors continue to grow.

Last year, as many as nine of the fifteen major contributors had not paid their peacekeeping assessments in full and this included several permanent members of the Security Council.

We are also concerned that amounts owed to Member States by the end of 2004 will go up substantially from the actual position at the end of 2003. (US$ 578 million in 2004 - up from US$ 439 million in 2003) Outstanding dues for troop costs will nearly double during this period (from US$ 122 million in 2003 to US$ 231 million in 2004).

We must also not forget that the United Nations owes over US$ 100 million to Member States for troop and equipment costs from the six closed missions that are in net cash deficit. This is a long-standing problem caused by the refusal of some to pay their assessments for these missions and it is time for the collective membership of the UN to address this problem. We fear that should we fail to address this problem, troop and equipment providers in UNMIK and MINURSO would also meet the same fate.

Thus, while the financial situation of the United Nations may appear on the surface to have improved somewhat, there are underlying problems that could prove critical in the year ahead.

The above underlines the need to continue to emphasize the importance of member states paying their assessed contributions in full, on time and without conditions. In addition, my delegation is ready to consider any measures that could assist in addressing some of the problems mentioned earlier and to realize this objective.

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400. Speech by Permanent Representative at the United Nations V. K. Nambiar on "United Nations Peacekeeping Operations" at the Security Council.

New York, May 17, 2004.

Mr. President,

India welcomes this opportunity to participate in an open debate of the Security Council on "*United Nations Peacekeeping Operations*". We were happy to see the Hon'ble Foreign Minister of Pakistan preside over this morning's segment of the meeting.

The first question we ask concerns the appositeness of the present debate and the Council's precise *locus standi* in it. While the role of the Council is indubitable in the setting up and running of individual peacekeeping operations, we are not convinced it is the most appropriate forum to discuss policy or even general operational issues related to peacekeeping. These have traditionally vested with the General Assembly and specifically with the Special Committee on Peacekeeping Operations. Even as member states consider the question of UN reform and delegations bemoan the erosion of the role and activities of the General Assembly, my delegation notices a strange inability on the part of the Assembly to withstand the steady acquisitiveness by the Council in areas including this one. This is all the more disturbing when combined by the tendency, in some quarters, to view the whole process of coping with complex emergencies from a 'pro-consular' or even a *'mission civilisatrice'* perspective. Such an approach needs to eschewed, equally from the Council as elsewhere. It should clearly not infect the attitude of the Secretariat. We strongly urge that the constitutional 'separation of powers' between the Council and the Assembly be respected.

Mr. President,

Peacekeeping operations are mandated to perform specific tasks. They are not meant to be missions in perpetuity. Upon the completion of these tasks they must be drawn down and eventually wound up. The missions in Rwanda and Angola provide important and useful examples where the governments concerned decided at a certain point of time that the peacekeeping operation had served its purpose. They welcomed a

continued UN presence but not in the form of peacekeepers. Admittedly, the exit of peacekeepers cannot be allowed to take place in a hasty or injudicious manner as that could jeopardize the very gains achieved. We are all aware of the case of Haiti in the mid-1990's. Missions could face premature termination when a cease-fire unravels, the pre-existing political will disappears, or the Council refuses to recognise to changed realities on the ground. At the same time, r*ebus sic stantibus* cannot be characterised as a failure of the UN or its mission.

Mr. President,

As more and more demands are made for UN intervention in complex situations, diverse sets of actors are increasingly seen in the theatres of conflict. Some demarcation of functions and responsibilities would, therefore, be useful for clarity. We should be conscious that there are limitations of the capacity of the UN in terms of material, personnel or financial resources. The UN cannot be everywhere.

When considering the *scope* of peacekeeping, there is often a tendency to confuse peacekeeping with post-conflict peace building. Approaches that involve an understanding of local ground realities and that are evolved with the participation of the governments involved are likely to be more successful than those seen as imposed from outside. Post-conflict peace building cannot be achieved through peacekeepers, the majority of which are groups of observers or formed contingents with no knowledge, experience or mandate to take on economic, social or other tasks associated with post-conflict reconstruction. While, perhaps, peace-building elements need to be integrated into the overall approach from the outset, peacekeeping can only lay the ground for post-conflict reconciliation, reconstruction and development. This further responsibility is best left to other Agencies, Funds and Programmes of the UN system and, in the final analysis, must be locally-owned. Indeed, as long as major contributors remain unwilling to pay for such activities through assessed contributions, such examples of 'mission creep' would continue to be viewed with suspicion.

Nor do we believe that peacekeepers have any intrinsic role in conflict resolution or in addressing the underlying causes of conflict, especially where these are largely socio-economic in nature such as poverty and deprivation. A peacekeeping operation is an interim measure and of limited

duration. It is part of a broader international engagement. It is not a substitute for the task of nation-building, economic development or of international co-operation. It cannot be a stand-in for a negotiated political settlement. Peacekeeping mandates cannot and should not be intrusive or interventionist.

Mr. President,

There has been a predilection, of late, to lean towards regional solutions in peacekeeping, particularly in the context of Africa. While recognizing this reality, we must guard against such operations becoming franchised or sub-contracted to a degree where the Security Council is perceived as using regionalization as a device to shirk the exercise of its global responsibility for peace and security. Further there are those who advocate the "transfer" of specialized assets and even troops of a contributing country from one mission in the region to another. We regard such solutions as self-serving and contrary to the practices and provisions allowed under the Charter. Every mission is unique, established as it is in pursuance of a specific Security Council mandate. We see a risk, sometimes, in regionalization in the peacekeeping context and feel there can be no 'confederacy' of peacekeeping missions.

For similar reasons we see limited utility and a degree of risk in "encouraging" coordination among Special Representatives of the Secretary General [SRSG] in a region. While some sharing of experiences, lessons learned and resources in a regional context might be useful, it must be remembered that SRSGs are not "free agents." Each is appointed for a specific mission, for a specific purpose and must operate within mission-specific mandates. Too much cross-feed can cause diffusion and even distortion of focus. Sharing of experiences must be done, where necessary, at UN Headquarters, Heads of Mission Conferences, or when senior officers of the DPKO visit the region.

Mr. President,

On increasing the effectiveness of Headquarters' support, we stress the need for greater synergy in effective utilization of capacities already existing within the UN system. Where this does not happen, the systemic problems involved need to be addressed. Mere infusion of extra personnel or the creation of new divisions will not work.

Other important issues include the continuing commitment gaps in the contribution of personnel and equipment to UN peacekeeping operations, the strengthening of existing mechanisms of cooperation with troop contributing countries and problems concerning the safety and security of UN peacekeepers. On the issue of commitment gaps, we need only recall the fact that almost 80 per cent of the troops deployed in UN- PKOs are contributed by developing countries. There is also a perceived imbalance in the assumption of roles and responsibilities by the UN in different regions as distinct from non-UN operations.

The recent activation of the mechanism of joint meetings between the Security Council Working Group on Peacekeeping Operations and troop contributing countries is a welcome step. We look forward to more such meetings concerning individual operations in the future and to *a greater interaction* in these meetings with *Council members* in a manner that takes cognizance of the views of the TCCs and contributes to the outcome of decisions in the Council.

India's performance in the field of peacekeeping under the UN flag is well recognized around the world and I shall not dwell upon it in detail. We fully subscribe to concerns about safety and security of peacekeepers and associated UN personnel. This must, in all instances, receive the very high priority it deserves. Ultimately, however, the best guarantee for safety and security of peacekeepers is a properly planned and mandated mission, comprising well trained, equipped and disciplined contingents, and one where troops are not deployed in a void or where the political process is either non-existent or compromised. It must express the priorities of the larger community of member states and not those of a select few.

Mr. President,

In conclusion, we trust that today's deliberations in the Council will help in improving the quality and content of decision-making in the General Assembly on policy and operational aspects of UN peacekeeping operations.

Thank you, Mr. President.

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401. Statement by Permanent Representative at the United Nations V. K. Nambiar on "Threats to International Peace and Security Caused by Terrorist Acts" at the Security Council.

New York, May 25, 2004.

Mr. President,

We thank you for arranging this public meeting of the Security Council on an issue of particular importance and relevance to the United Nations membership.

The adoption of Resolution 1526 in January this year marked another important step in the work of 1267 (Al Qaeda/Taliban) Committee. We thank Ambassador Heraldo Munoz for his briefing this morning and for his exemplary stewardship of the 1267 Committee.

The Committee has been proactive in pursuing its mandate, one that is critical to the interest of the international community. The travels of the Chair to select states would undoubtedly enhance the Committee's understanding of situations peculiar to each state as well as the cooperation the Committee can elicit from the states concerned.

We are also confident that the establishment of the newly constituted Monitoring Team would impart further impetus to the Committee and increase its analytical and operational capacities. We believe that efforts of the Committee to expand the Taliban/Al Qaeda list; increase information sharing between the Committee and Member States; extend assistance to States in meeting their obligations under the relevant resolutions; pursue best practices; enhance cooperation between it and the Counter-Terrorism Committee; are all steps in the right direction.

Mr. President,

A few days ago, on May 23, thirty-three persons, including a number of women and children were killed when a vehicle they were travelling in was blasted along the Jammu-Srinagar national highway. The banned terrorist outfit, *Hizbul Mujahideen,* has claimed responsibility for the attack. Describing this as yet another instance of the grave threat terrorism posed

to India's integrity and progress, the Prime Minister of India Dr. Manmohan Singh declared that "*while we will continue to seek peaceful resolution to all outstanding problems, there can be no compromise on our solemn resolve to deal with the menace of terrorism with firm determination.*"

It is evident that the scourge of terrorism is increasing in intensity and spread worldwide. The increasingly sophisticated tactics and use of systems and equipment by terrorists, coupled with their continuing ability to elude restrictions placed by governments on their movements as well as their access to arms and financing, suggest that it is time for the international community to pool its resources and come up with effective new counter-strategies to combat international terrorism.

In our view, the development of approaches and solutions to tackle terrorism has to cater to regional and national specificities. There is need to adopt a multi-track approach which takes account of differences in the stages of development and use of technology in different parts of the world. There are likely to be significant regional variations between Europe, Latin America, West Asia or South Asia in the handling of border controls, money transfers, small arms, counterfeit documents, narcotics and surveillance of communications. Although such variations are inevitable considering the different stages of economic development and use of technology between such regions, international counter-terrorism efforts must respect and respond to such diversity if they are to be fully effective or yield results.

We would like to emphasise the inter-linkages among different terrorist groups. They support each other, and their organisations' membership and ideologies mutate. They cannot thus be addressed on the basis of a segmented approach. We call upon the 1267 Committee to keep in mind this aspect of inter-linkages as it pursues work related to Al Qaeda and the Taliban.

The 1267 and Counter-Terrorism Committees and their operational arms will need to orient themselves to the different systems and loopholes that terrorist networks utilise to further their objectives. Such an approach implies close cooperation with officials and experts from countries with the required experience and expertise in dealing with such situations. The Committee must adjust its policies accordingly. In crafting its resolutions the Council must likewise sharpen the instruments available to it for tackling

the varying strategies and techniques employed by terrorists. The furnishing by the Committee of complete details of identification to the maximum extent possible, of the terrorists included in the Al Qaeda/Taliban lists, will assist Member States in taking timely and effective action against such individuals.

It is a cold reality that the Taliban and Al Qaeda are far from finished. On the contrary, they have begun to "emerge from the woodwork" in different areas and are adapting and refining their tactics. The 1267 Committee represents a key multilateral component in containing the threat posed by these terrorist groups. Much will depend upon the Committee's continued and focused effort as well as its ability to face the issues head on, without fear or favour.

Mr. President,

The global ramifications of terrorist threats are unlikely to dissipate in the near future. No country can claim to be immune from the reach of terrorism. The international community will have to be united in sustaining and persevering with its collective campaign to root out this menace.

Thank you, Mr. President.

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402. Statement by Acting Permanent Representative at the United Nations A. Gopinathan on the "UN Open-ended Informal Consultative Process on Ocean and the Law of the Sea" at the Fifth Committee.

New York, June 9, 2004.

Mr. Co-Chairman,

At the outset, let me join others in congratulating you on your assumption of office as a coordinator of the consultative process. My delegation attaches considerable importance to the topic: **"New sustainable uses of the oceans, including the conservation and management of biological diversity of the seabed in areas beyond national jurisdiction".**

The 1982 UN Convention on the Law of the Sea lays down a comprehensive regime for the world's oceans and seas, establishing rules governing all uses of the oceans and their resources. Being one of the pioneer investors and contractors with the International Seabed Authority, India has been deeply involved in the exploration of poly-metallic nodules in the seabed. We share the concerns of other members of the international community in finding ways to enhance the conservation and management of the deep-sea environment, and ecosystems including the biodiversity hot spots in the deep oceans and the seabed such as seamounts, cold and deep water corals, hydrothermal vents, poly-metallic nodules and gas hydrates.

India has demonstrated very keen interest in the International Seabed Authority's work in the area of scientific research aimed at unravelling the evolution of the ecology of the deep ocean, including biodiversity associated with hydrothermal vent systems and poly-metallic nodule provinces.

India believes that conservation of marine living resources as well as the protection of rare and fragile ecosystems which provide a basis for the conservation and sustainable use of biodiversity of the deep seabed is extremely important.

Mr. Co-Chairman,

The preamble of the 1982 Convention states categorically that the

seabed, ocean floor and subsoil thereof beyond the limits of national jurisdiction and its resources are the common heritage of mankind. It also emphasises that the exploration and exploitation of these resources should be carried out for the benefit of mankind as a whole, irrespective of the geographical location of States. However, owing to the emphasis placed at that time on the exploitation of minerals on the seabed beyond the national jurisdiction, part XI of the Convention has been fully devoted to the exploitation of solid, liquid and gaseous mineral resources in the area or beneath the seabed including poly-metallic nodules.

This over-emphasis on the mineral resources, coupled with a lack of adequate knowledge of the economic importance of biological resources of the sea bed at that time of negotiation of the Convention, had led to the adoption of an imprecise reference, in our view, to biodiversity of the seabed beyond the national jurisdiction in the Convention. Instead of using the now-familiar phrases of protection or conservation of biodiversity, the Convention employed a different language “the protection and preservation of flora and fauna from activities relating to exploitation of mineral resources” in accordance with the then-prevailing legal tradition. Today, preservation of flora fauna could be taken not only as a reference to environment, but equally as a reference to biodiversity of the seabed as the genetic resources are found to be the basis of the food chain of diverse and rich ecosystems of life forms with a high level of biodiversity in the deep seabed environment.

The symbiotic relationship between the biodiversity of the deep seabed and its ecosystem, therefore, makes the entire resources of the sea-bed, living and non-living, to be a common heritage of mankind. The task before us today is to identify the risks to the biodiversity of the seabed, which is a common heritage of mankind. We have now undeniable evidence that certain scientific research, which is intrusive in character, could put the fragile ecosystem and the species of the deep sea at risk.

Marine scientific research which aims at exploration of biodiversity for commercially valuable genetic and biochemical resources, the so-called bio-prospecting, could be one such area. The fact that no special legal regime has been evolved so far to regulate it does not mean that research of this kind can be done without any limitation or circumspection. We believe that the general principles of marine scientific research should be applicable in this regard.

The Convention provides detailed general principles on marine scientific research. Article 143(1) states that marine scientific research in the area should be carried out exclusively for peaceful purposes and for the benefit of mankind as a whole. Understandably, this provision should be of general applicability unless and otherwise stated to the contrary, such as in the case of rules concerning prospecting of minerals (ISA Regulations on Prospecting and Exploration for Polymetallic Nodules), applicable to a particular activity and context. The existence of a general limitation on Marine Scientific Research that "marine scientific research activities shall not constitute the legal basis of any claim to any part of the marine environment or its resources" (Article 241) also reinforces this view.

For these reasons, we would like to state the following:

- We believe that the living resources on the seabed, owing to their symbiotic relationship with other resources in the deep-sea environment, become inseparable from other resources of the seabed and form part of the common heritage of mankind.

- We also believe that distinction between pure and applied marine scientific research is sought to be maintained on the basis of a dubious logic and has never been accepted universally, as there is no perceivable difference in the activity or method. A difference in purpose does not make Marine Scientific Research - a profit-motivated activity labelled as bio-prospecting – any less subject to regulations and discipline of the Convention. In both cases, either investigation into certain organisms or harvesting of certain organisms in their natural habitat is taking place. In our view, all marine scientific research in the seabed and subsoil beyond the national jurisdiction should be conducted for the benefit of mankind as a whole, in the absence of appropriate regulation guaranteeing benefit sharing, whether it is related to genetic or other resources in the seabed.

- We agree with the view that the Convention on Biological Diversity and the UN Convention on the Law of the Sea are complimentary to each other as they emphasise on a fair and equitable distribution of benefits from the resources.

- We believe that the harmonious construction of provisions of these two Conventions could provide a substantive legal basis for the

conservation and the management of biodiversity and the use of biological and biogenetic resources of the deep-sea bed and subsoil, a common heritage of mankind. However, the procedural regulations concerning the exploration, exploitation of biogenetic resources and the benefit sharing aspects require to be developed, preferably without amending either of the Conventions.

Thank you, Mr. Co-Chairman.

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403. Statement by Acting Permanent Representative at the United Nations A. Gopinathan on "Resource Mobilization and Enabling Environment for Poverty Eradication in the context of the Implementation of the Program of Action for the Least Developed Countries for the decade 2001-2010" at the Substantive Session of the ECOSOC, 2004.

New York, June 30, 2004.

Madam President,

We thank the Secretary General for his report on the theme of the High-level segment. We also express our appreciation to Under-Secretary-General Ocampo for his introduction to the report and to High Representative Chowdhury for his remarks at the beginning of the High-level segment.

2. We associate ourselves with the statement made by the Hon'ble Minister of State for Foreign Affairs of Qatar on behalf of the Group of 77.

3. The theme for this year's High-level segment of the substantive session of the Economic and Social Council provides us with an opportunity to discuss important questions pertinent to the efforts of the LDCs towards the achievement of sustained economic growth and poverty eradication goals.

4. The Brussels Programme of Action provides the framework for addressing the multifarious challenges confronting the LDCs. The World Development Report 2004 asserts that broad improvement in human welfare will not occur unless poor people receive wider access to affordable and

better quality services in health, education, water, sanitation and electricity. The Report further indicates that key services fail poor people in access and in quality and quantity. Both these factors will inevitably impact on the efforts of LDCs in reaching the Brussesls goals by 2010 and, consequently, in reaching the Millennium Development Goals by 2015. The World Bank and UNCTAD estimate that if the current trends persist, the number of people living in extreme poverty in the LDCs would increase from 334 million in 2000 to 471 million in 2015 and that the LDCs would be the major locus for global poverty at that time. Many other developing countries share the problems faced by LDCs and the international community needs to consider the inter-related issues of poverty, underdevelopment and vulnerabilities in this wider context.

5. The development partners need to move vigorously in supporting the efforts of LDCs and other developing countries in achieving higher growth rates, improving service delivery and reducing poverty with more and better aid, debt relief and improved market access.

6. The debt problems faced by many low and middle income countries severely affect their capacity to accelerate economic development. Many bilateral creditors have provided relief to low income countries. However, the relief provided in the case of a number of countries falls short of the level needed to achieve long-term debt sustainability and to effect significant reduction in levels of poverty. Finding a durable solution to debt problem would result in reducing debt servicing obligations and thereby enable increases in social spending. India has demonstrated its commitment to help LDCs in reducing their external debt burden by writing off the debt owed by seven highly indebted countries who had reached their 'decision points'.

Madam President,

7. The Brussels Programme of Action recognises the importance of mobilising domestic resources in financing the development needs of LDCs. We share the view that for development to be self-sustaining, domestic resources should be made the foundation. Every effort needs to be made to expand the domestic resource-base and to make the most productive use of the available resources. Some countries have evolved strong institutions; others are still in the process of evolving them. The capacity to mobilise resources varies as a result. A 'one size fits all' approach for all

LDCs will not be practical and is unlikely to succeed. Accordingly, capacity-building in developing countries should be accorded priority. International organisations can play an important role in this area by way of providing replicable models and information, which would help the LDCs in building national capacity for domestic resource mobilisation. Efforts at domestic resource mobilisation need a supportive international environment that is stable, predictable, and characterised by non-discriminatory trading, monetary and financial systems.

8. Foreign Direct Investment [FDI] flows, unlike portfolio investments, are the more stable source of investment as they influence capital transfer, share knowledge and technology, enhance skills and create employment opportunities. Greater efforts are required to assist LDCs and other developing economies in capacity-building, particularly in setting up the requisite institutional framework to help prioritise the sources and destination and to attract, evaluate and facilitate foreign investment inflows. ODA can play an important role in catalysing private investment in countries that are not receiving significant private flows.

9. ODA continues to remain at a low level and, as per UNCTAD estimates, actual ODA disbursements are more than a third short of the agreed target for the LDCs. New and additional commitments are essential if the developing countries are to achieve the internationally agreed development goals, in particular, the MDGs. Moreover, commitments should also be predictable and long-term. Analysis by the World Bank indicates that an additional US $ 30 billion per year can be utilised effectively by developing countries to make progress towards achieving the MDGs. We support efforts to strengthen and ensure national ownership of development assistance programmes and a clear recipient-driven strategy for sustainable development. Wherever appropriate, aid should help promote greater foreign and domestic private investments consistent with national priorities for sustainable development, especially in poverty alleviation.

10. The Brussels Programme of Action recognises the role of trade in growth and development of the LDCs. We welcome the steps taken by some development partners to open up their markets to exports from the LDCs. There is also need to help LDCs to build capacity in manufacturing and other sectors to enable them to eventually diversify away from dependence on commodity exports. We recall, in this context, the words of

the Secretary-General of UNCTAD who, at the beginning of the high-level segment on June 28, advocated the need for assisting the LDCs both in human development and in the creation of production and trade capacities.

11. The expansion in trade between LDCs and other developing countries has been significant in recent years. The share of LDC exports to other developing countries reached 34 percent in 2002, almost an increase of 20 percent in less than 15 years, an impressive record. The share of other developing countries in LDC imports increased during the same period by almost 25 per cent and reached the figure of 56 percent.

These figures represent an eloquent testimony to the potential for enhanced South-South cooperation. In this context, we are happy to note the launch, during the recently concluded UCNTAD-XI, of the third round of negotiations for the Global System of Trade Preferences [GSTP]. We have every confidence that the new round of GSTP will benefit both LDCs and other developing countries immensely.

Madam President,

12. We hope that deliberations at this meeting would lead to greater appreciation of the challenges facing the LDCs and result in the adoption and implementation of action-oriented conclusions designed to assist LDCs in their struggle.

Thank you, Madam President.

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404. Statement by Acting Permanent Representative at the United Nations A. Gopinathan on Coordination Segment of the ECOSOC Substantive Session, 2004.

New York, July 2, 2004.

Madam President,

We thank the Secretary General for the reports under the sub-items of this agenda item. The reports are comprehensive and we have read them with interest.

Madam President,

At the substantive session last year, the Council had concluded that rural development should be pursued through an integrated approach, encompassing the economic, social and environmental dimensions, while recognising that the eradication of rural poverty and hunger are crucial for the achievement by the developing countries of the Millennium Development Goals. A number of priority areas were identified for further promoting rural development to which developing countries attach great importance. The UN system would, in our view, benefit from further guidance from the Council, Rural development has been addressed in the outcomes of major events, summits and conferences. General Assembly resolution 57/207B on conference follow-up recognises the role of ECOSOC in the integrated and coordination implementation of the outcomes and follow up to the major UN conferences and summits. There is, no doubt, considerable potential for contributions by the functional commissions, regular sessions of the General Assembly as well as specific follow-up processes. Accordingly, a broad-based consideration of the follow-up would be beneficial.

We agree with the recommendation in the report that all UN agencies with mandates dealing with economic, social and environment dimensions of this issue should promote further integration of rural development into their activities and programmes. We further agree with the observation that there is a need to provide those agencies with sufficient resources to pursue integrated rural development. This would, in our view, help in supporting the efforts of the developing countries towards rural development and thereby contribute to their efforts in achieving the Millennium Development Goals.

We wonder whether it would be feasible to design a 'coherent capacity-building programme' for rural development, as recommended in the report of the Secretary General. Our delegation has pointed out earlier that the people themselves as potential beneficiaries need to be involved in not only identifying their needs but also in making decisions on how to meet those needs and thus improve their living conditions. Given the specificity of each country, we do not believe that it would be possible to arrive at a set of 'one size fits all' multilateral norms for rural development.

The report has drawn attention to the partnership approach in dealing with the question of rural development. It has been our experience that partnership initiatives can only complement but cannot substitute the commitments made at the government level. It is also important that the efforts made through partnership initiatives, including the partnerships promoted by the UN system organisations, are aligned to the programmes and priorities set by the governments at the national level for them to be effective, as envisaged in the General Assembly resolution 58/129 adopted last year.

The Millennium Declaration contains specific goals on girls' and women's education and health. It identifies the promotion of gender equality and empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate sustainable development. The road map towards the implementation of the Millennium Declaration provides strategies for moving this agenda forward, including greater efforts in the areas of maternal mortality, the prevention of HIV/AIDS and gender sensitivity in education, as does the United Nations Girls Education Initiative launched by the Secretary-General in April 2000 at the Dakar World Education Forum.

In India, we have long recognised that policies and programmes for the advancement and empowerment of women must be action-oriented and targetted. One-third of the seats for elected Village Councils are reserved for women. Numerous institutions and mechanisms for delivery of social services targetted at women of all ages and children are in place. More recently, we have enacted laws to prevent sexual harassment at the work place. Our national human rights machinery bears gender issues and gender mainstreaming, very much in mind, in its work.

We note from the report of the Secretary-general that further efforts

are required to ensure full implementation of the agreed conclusions. The report indicates that linkages between the goal of gender equality and the overall goals of the entity have to be established. The need for gender-specific resources and capacity-building approaches has been highlighted. We appreciate the frankness of the report in its assessment of the capacity-building efforts in the United Nations. In this context, we believe that some focus on the status of women in the UN system would have provided an update on improvement of the status of women in the UN system over the past year. Improved gender sensitivity can be achieved by adopting a pro-active approach towards achieving gender balance within the UN system. It is necessary, in our view, to take concrete action for ensuring adequate and equitable representation of women, particularly from the developing countries, at the higher levels of the UN structure.

Thank you, Madam President.

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405. Statement by Acting Permanent Representative at the United Nations A. Gopinathan on "Triennial Comprehensive Policy Review of Operation Activities for Development of the United Nations System at the Substantive Session of the ECOSOC.

New York, July 9, 2004.

Mr. President,

My delegation welcomes this opportunity to participate in the discussions on the operational activities for development of the United Nations system. We thank the Secretary General for the report prepared under the agenda item and Under-Secretary-General Jose Antonio Ocampo for his valuable introduction of the report. We associate ourselves with the statement made by the distinguished Permanent Representative of Qatar on behalf of the Group of 77. While we shall address main aspects of the triennial comprehensive policy review in the forthcoming 59 th session of the UN General Assembly, we would like to provide a few comments on issues covered in the report.

Mr. President,

The undisputed objective of the operational activities of the UN system continues to be to assist developing countries in their efforts towards achieving sustainable development and eradication of poverty. It is important, therefore, that we do not lose sight of this objective in our attempts to create a procedurally sound and efficient system, with the excessive focus on processes that has, unfortunately, come to characterise our approach. As we consider the issues surrounding the reform process of the UN operational activities, we should ask ourselves whether we are losing our way in the maze of procedures and systems, to the ultimate objective set out in the MDGs. Ms. Thoraya Obaid, in her statement yesterday, conceded that the focus on processes, though critical issues in themselves, at times obscures the real purpose of the reform.

As we take stock of the comprehensive policy guiding the operational activities for development, we should have a critical look at the concepts of evaluation, harmonisation, results-based management, etc. It is heartening to note that the UN system itself is taking a hard look at some of these questions.

Mr. President,

The operational activities of the UN system have been underpinned over the years by their distinctive characteristics of objectivity, neutrality and impartiality. It is the preservation of these characteristics that has enabled the developing countries to continue to repose their faith in the UN development system. Therefore, it is imperative to ensure that nothing is done that might affect these characteristics adversely and thus erode the credibility of the system vis-à-vis the developing countries.

The comparative advantage and added value of the UN system operational activities for development is the principle of country-driven programming. It is national leadership which leads to national ownership and ensures that the programmes are in keeping with national priorities. Funds and programmes would generally do well if they keep national priorities and national ownership at the forefront of their planning process. This recognition by the UN system is to be welcomed. In the area of developing national capacities, it is important for the UN system to be able to respond with flexibility and in conformity with national plans and priorities.

Mr. President,

Simplification and harmonisation are useful to the extent that they would lead to reducing transaction costs for recipient governments. We perceive the added value in harmonisation of the programming cycles of funds and programmes with one another; however, from the perspective of the developing countries, the most important objective would be for harmonisation of the programming cycles with the budgetary and planning cycles of recipient governments. The field experience of UNFPA has also brought out the difficulties in adapting to new tools and processes, which is not an easy process and is often time-consuming. We note with great concern the observation in Secretary General's report that in the process of simplification, at least for the moment, an additional burden has been created for governments and the UN system. Further, the impact of the CCA and UNDAF processes on the system's cost-effectiveness remains difficult to assess while these processes have already created additional work load for their preparation. It was acknowledged by the Executive Director of UNICEF yesterday that UNDAF preparation has too often become overly complex, rigid and time-consuming.

Additionally, efforts at harmonisation with bilateral donors run the risk of undermining recipient country ownership or even introducing implicit conditionalities in the UN's operational activities. This obviously would not be in tandem with our objective of keeping national priorities and ownership at the forefront of our planning and activities.

My delegation has held consistently that coordination of external assistance should be undertaken only by the recipient government. The exercise of coordination by the UN should be confined to assistance through the UN system. Field-level coordination is one of the most significant challenges to the effectiveness of the UN development cooperation. Field-level coordination should be carried out by national authorities. This would ensure that the organizations of the UN system are contributing in a coherent manner to national development plans and priorities.

Mr. President,

MDGs are in the nature of global targets. They represent a commitment for global partnership for the achievement of these targets. The impact of the MDGs and the global compact which they represent should be on the availability of regular resources for the operational activities of the UN system. The direct impact on the nature and orientation of these activities may be limited by the primacy which needs to be accorded to national development plans and priorities. It is important to make available untied contributions to the core resources for developmental activities. We agree with the Secretary General on the need for adequate, stable and predictable funding which is necessary for supporting the efforts of the developing countries to achieve the MDGs. We are, therefore, concerned to note the increasing imbalance between "core" and "non-core" contributions to the UN agencies and the proliferation of earmarked resources. Similarly, while we are heartened to note that the core resources of both UNDP and UNICEF have increased, we are cognisant that a part of the improvement is explained by exchange rate movements rather than by real increase in donor contributions.

The need for the UN system to be more cost-effective is well-recognised. It should be able to implement country programmes with much lower administrative/management and support costs. We have noted that the report also dwells on this issue. In this context, it would be useful to have an analysis, separately for each fund, programme or agency, of the

proportion of funds spent for the so-called advocacy, awareness generation and sensitisation activities on which several developing countries have expressed reservations, and those spent for actual programmes and projects which contribute towards capacity-building and make a tangible difference in the lives of the poor.

India has been a strong advocate of South-South cooperation. We support increasing cooperation amongst the countries of the South while integrating the inputs of the developed countries through triangular partnerships as a useful means of furthering the development objective. It would be useful to explore ways of how the UN development system can contribute more effectively to enhancing South-South cooperation.

Mr. President,

The UN system can play an important role in mobilising international resources for development cooperation aimed at assisting developing countries attain internationally agreed development goals. Working towards a fairer multilateral trading system and assistance to developing countries for skills-upgradation and human resource development would contribute to helping them meet the challenges of globalisation.

We look forward to participating actively in the triennial comprehensive policy review of the operational activities of the UN development system in the 59 th session of the General Assembly. We shall work closely with other delegations to ensure provision of guidance and oversight to the funds and programmes.

Thank you, Mr. President.

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406. Statement by Acting Permanent Representative at the United Nations A. Gopinathan on Agenda Item 5: Strengthening of the Coordination of Humanitarian Assistance of the United Nations: Present and Future Challenges at the Humanitarian Affairs Segment of the ECOSOC Substantive Session, 2004.

New York, July 12, 2004.

Mr. President,

We thank the Secretary General for the report presented under this item and the useful introduction provided by the Under-Secretary-General for OCHA.

Mr. President,

The problems associated with the way humanitarian assistance and humanitarian actors are perceived have emerged as an area of concern in recent years. Continuing attacks on humanitarian workers in some situations of conflict have led these questions to be of growing concern to the UN and the international community. The report attempts to address these issues with considerable insight.

The report of the Secretary-General recognises that the problem of perception arises due to humanitarian assistance being often seen as inspired by a political agenda.

Suspicions about the neutrality of those who provide humanitarian assistance have led to attacks on humanitarian workers or refusal of access by parties to a conflict in many cases. The first attempt then should be to ensure that humanitarian assistance strictly abides by the basic principles as set out in resolution 46/182, viz., neutrality, humanity and impartiality. Humanitarian action should be apolitical and offered at the request of the recipient government.

Another important measure could be to provide a local face to humanitarian action. This could be done by ensuring that the humanitarian assistance personnel are predominantly hired keeping the principle of geographical proximity in mind, and paying attention to the importance of familiarity of the personnel with the location and nature of crisis. Personnel

who belong to the area or have a prior experience of similar emergencies would be better placed to handle humanitarian assistance in any given area or situation. The report also makes the sensible recommendation in this context, namely, the need for humanitarian personnel to be sensitive to local customs and traditions.

Similarly, procuring of resources locally or from the neighboring regions, would not only save precious resources, but would also help in building capacity locally and would be seen as a welcome step by those receiving humanitarian assistance. This would also reduce time-delays. Hiring of local transport companies would also be another step in this direction. Regional approaches to humanitarian assistance may also be useful, as suggested in the report. However, this may not be the case for all regions or for every situation.

The allocation and availability of resources for humanitarian assistance remain matters of vital concern. The report indicates that the pattern of funding humanitarian activities remains uneven, leaving some countries substantially under-financed. The report cites the case of the Central African Republic which received only five percent of their requirements in 2003. This underscores the importance of allocating resources fairly to all countries in need. It is important that the UN is seen to be above 'humanitarian favouritism', and for this, the UN must avoid regional imbalance or uneven funding of humanitarian needs. Only then the universal trust in the UN system would be preserved.

In this context, we note the reference to the engagement of IFIs, especially the World Bank, in assessing post-conflict needs. We appreciate fact that the report highlights the need for involving national governments in the joint planning efforts. We do wish, however, to point to the need for ensuring that the financial assistance provided by the IFIs in this context does not bring with it additional conditionalities or add to the debt burden of the recipient countries. We strongly support the recommendation contained in the report on inviting donor countries to make available increased amounts of un-earmarked, predictable funding for relief assistance and exploring means to fund all critical needs across all sectors.

Mr. President,

The report makes a reference to involvement of a multiplicity of actors

in disaster management. In order to make humanitarian assistance effective, it would be useful to avoid multiplicity of actors, lest the coordination function overwhelm humanitarian action on the ground and become the most important function of the humanitarian effort. In this regard, we would underscore the role of the national government and the need to fully respect the principle of national sovereignty. The developing countries, especially the disaster-prone ones among them, would benefit from assistance in the area of capacity-building in early warning systems. Sharing of technologies such as remote sensing, geographical information systems (GIS), Global Positioning, computer modelling and expert systems and electronic information management would go a long way in assisting the developing countries to be better-prepared for dealing with natural disasters and reducing their adverse impacts. We, therefore, agree with the recommendation in the report of the Secretary-General for channeling of increased resources for capacity-building activities in disaster-prone areas. We note with concern that comparatively low level of funding is being provided by donors for capacity-building in disaster reduction and recovery, an amount that is particularly meagre when compared with funding for conflict and post conflict activities.

Concern has been expressed in the report on the problem of sexual exploitation and abuse by those providing humanitarian assistance. Building awareness towards this problem within the UN system is indeed welcome. We note the Secretary-General's bulletin on Special Measures for Protection from Sexual Exploitation and Sexual Abuse as an effort in this direction. Minimum standards of behaviour must be observed by all UN staff, particularly those engaged in providing relief to those in distress. However, we would like to express our serious misgivings on the exhortation in the report for incorporation of the standards set out in the Bulletin into domestic legislations and codes of conduct for national armed forces and police and other security forces. These are matters within the jurisdiction of national governments. UN must avoid intrusive tendencies, even if the objective seems desirable, so as to maintain the universal trust of member States.

Thank you, Mr. President.

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407. Statement by Acting Permanent Representative at the United Nations A. Gopinathan on Advisory Opinion of the International Court of Justice on the "Legal Consequences of the Construction of a Wall in the Occupied Palestinian Territory" at the Emergency Session of the General Assembly.

New York, July 16, 2006.

Mr. President,

My delegation is happy to participate in the discussion in the Council on a theme of considerable importance and interest to all developing countries. We find that the Secretary General's report on Information and Communication Technologies and Digital Divide provides a vivid picture of the ever-increasing disparities in this area. It is a matter of concern that in an increasingly globalised world significant gaps persist in all regions between and within countries in levels of progress in ICT Development. We should give thought to the report's observation that the world's poor could be even more marginalised in a knowledge-based globalised economy. It is also worrisome that the access of people to digital opportunities remains one of the wide-ranging and profound challenges posed by the "digital divide".

Mr. President,

We find ourselves in agreement with the Secretary General that the development of ICTs is not an end in itself but is a means towards achieving a multi-faceted and multi-dimensional information society. The development potential of the ICTs is obvious. The developing countries missed the development bus at the time of the industrial revolution and on other occasions in the past. We cannot allow this technological revolution to leave us behind, for this time the gap that is being created may be too large to bridge. Given the pace of the revolutionary changes in the field of ICT, the "digital divide" widens every day, demonstrating the imperative for concerted action by the international community as a matter of utmost urgency. At the same time, it is important to reach a consensus on how to adequately harness the potential of ICT for assisting developing countries in their efforts to secure a better standard of living for their people. The United Nations

has indeed a crucial role to play in making ICT work for the promotion of the developmental efforts of developing countries.

Mr. President,

Information and Communication Technology is a high priority area for India. We have embarked on attaining the target of "IT for All" at the national level by 2008 so that the benefits of this technology reach the common man in the remotest parts of the country. India's strategy in this regard focuses on developing the necessary IT infrastructure and enhancing human capacity. A mass campaign for IT awareness, the establishment of IT kiosks, promotion of IT education in all schools and colleges, the establishment of National and State level Digital Libraries and the promotion of IT for agriculture and integrated rural development, including through Wired Villages have brought about a high degree of awareness and increase in usage of IT across the country. We are also committed to e-governance which brings people and government even closer to each other.

The national system of innovation evolved over time as an outcome of the policies initiated by the Government has been instrumental in facilitating India's IT success. These include, but are not limited to, development of a system of higher education in engineering and technical disciplines, creation of an institutional infrastructure for S&T policy making and implementation, building centres of excellence and numerous other institutions for technology development. In addition, the institutional interventions like the setting up of the software technology parks were highly helpful for IT exports. Thus, India's IT success is a typical case of pro-active state intervention wherein the Government laid the foundation and created the facilitating environment and the industry took off with greater participation by the private sector and increased world demand.

The IT industry is income-generating and can contribute to economic growth of a country. Electronics and Information Technology is the fastest growing segment of Indian industry both in terms of production and exports. Today, the electronics industry is completely delicensed with the exception of aerospace and defence electronics, and along with the liberalisation in foreign investment and export-import policies of the entire economy, this sector is attracting considerable interest not only as a vast market but also as potential production base by international companies. In recent times, software development and IT enabled services have emerged as a niche

opportunity for India in the global context. The Government is taking all necessary steps to make India a major power in global information technology and a front-runner in the age of Information Revolution. The Government has announced promotion of Information Technology as one of the five top priorities of the country and constituted a National Task Force on Information Technology and Software Development. The gross revenue of the IT software and services industry in India during the fiscal year 2003-'04 was estimated to be over US $ 15.9 billion. Exports contributed US $ 12.5 billion to this figure. The performance of the Indian industry derives from its quality and its delivery of high-end requirements. This has led to an increasing number of international companies outsourcing their critical software requirements from India.

The ICT revolution is opening up new opportunities for growth and development in many parts of the world. In many societies it is giving a new meaning to the term "empowerment" by seeking to make a difference in the lives of millions of people enabling them to take greater advantage of emerging opportunities. The rapid advances in the field of ICT are showing us the potential for "leap-frogging" stages of technological development. India is, by its own experience, able to attest the important role which can be played by ICT in promoting development.

Nevertheless, it needs to be said that ICT by itself cannot solve the problems of poverty and under-development - a judicious blend of emphasis on provision of basic social, education and health services along with the development of both brick and click industries is necessary in any strategy for sustained human development and poverty reduction.

Mr. President,

We are heartened to note from the report that more and more projects undertaken by the regional commissions have sought to address cutting-edge-issues in development such as ICT capacity-building; sustainable management of natural resources and their efficient use; trade facilitation and electronic business; capacity building for managing globalization; and promoting technologies for employment and poverty alleviation. We also agree with the report that the most significant and valuable contribution that the regional commissions can make in support of their respective membership is by helping anchor their policy perspectives and analytical work relating to ICTs and the information societies firmly on the social

economic and cultural imperatives that are unique to each region/sub-region and country.

Thank you, Mr. President.

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408. Statement by Minister at the Permanent Mission at the United Nations Mrs. Ruchi Ghanshyam on Information Technology for Development: A Regional Perspective at General Segment of the ECOSOC Substantive Session, 2004.

New York, July 16, 2004.

Mr. President,

My delegation is happy to participate in the discussion in the Council on a theme of considerable importance and interest to all developing countries. We find that the Secretary General's report on Information and Communication Technologies and Digital Divide provides a vivid picture of the ever-increasing disparities in this area. It is a matter of concern that in an increasingly globalised world significant gaps persist in all regions between and within countries in levels of progress in ICT Development. We should give thought to the report's observation that the world's poor could be even more marginalised in a knowledge-based globalised economy. It is also worrisome that the access of people to digital opportunities remains one of the wide-ranging and profound challenges posed by the "digital divide".

Mr. President,

We find ourselves in agreement with the Secretary General that the development of ICTs is not an end in itself but is a means towards achieving a multi-faceted and multi-dimensional information society. The development potential of the ICTs is obvious. The developing countries missed the development bus at the time of the industrial revolution and on other occasions in the past. We cannot allow this technological revolution to leave us behind, for this time the gap that is being created may be too large to

bridge. Given the pace of the revolutionary changes in the field of ICT, the "digital divide" widens every day, demonstrating the imperative for concerted action by the international community as a matter of utmost urgency. At the same time, it is important to reach a consensus on how to adequately harness the potential of ICT for assisting developing countries in their efforts to secure a better standard of living for their people. The United Nations has indeed a crucial role to play in making ICT work for the promotion of the developmental efforts of developing countries.

Mr. President,

Information and Communication Technology is a high priority area for India. We have embarked on attaining the target of "IT for All" at the national level by 2008 so that the benefits of this technology reach the common man in the remotest parts of the country. India's strategy in this regard focuses on developing the necessary IT infrastructure and enhancing human capacity. A mass campaign for IT awareness, the establishment of IT kiosks, promotion of IT education in all schools and colleges, the establishment of National and State level Digital Libraries and the promotion of IT for agriculture and integrated rural development, including through Wired Villages have brought about a high degree of awareness and increase in usage of IT across the country. We are also committed to e-governance which brings people and government even closer to each other.

The national system of innovation evolved over time as an outcome of the policies initiated by the Government has been instrumental in facilitating India's IT success. These include, but are not limited to, development of a system of higher education in engineering and technical disciplines, creation of an institutional infrastructure for S&T policy making and implementation, building centres of excellence and numerous other institutions for technology development. In addition, the institutional interventions like the setting up of the software technology parks were highly helpful for IT exports. Thus, India's IT success is a typical case of pro-active state intervention wherein the Government laid the foundation and created the facilitating environment and the industry took off with greater participation by the private sector and increased world demand.

The IT industry is income-generating and can contribute to economic growth of a country. Electronics and Information Technology is the fastest growing segment of Indian industry both in terms of production and exports.

Today, the electronics industry is completely delicensed with the exception of aerospace and defence electronics, and along with the liberalisation in foreign investment and export-import policies of the entire economy, this sector is attracting considerable interest not only as a vast market but also as potential production base by international companies. In recent times, software development and IT enabled services have emerged as a niche opportunity for India in the global context. The Government is taking all necessary steps to make India a major power in global information technology and a front-runner in the age of Information Revolution. The Government has announced promotion of Information Technology as one of the five top priorities of the country and constituted a National Task Force on Information Technology and Software Development. The gross revenue of the IT software and services industry in India during the fiscal year 2003-'04 was estimated to be over US $ 15.9 billion. Exports contributed US $ 12.5 billion to this figure. The performance of the Indian industry derives from its quality and its delivery of high-end requirements. This has led to an increasing number of international companies outsourcing their critical software requirements from India.

The ICT revolution is opening up new opportunities for growth and development in many parts of the world. In many societies it is giving a new meaning to the term "empowerment" by seeking to make a difference in the lives of millions of people enabling them to take greater advantage of emerging opportunities. The rapid advances in the field of ICT are showing us the potential for "leap-frogging" stages of technological development. India is, by its own experience, able to attest the important role which can be played by ICT in promoting development.

Nevertheless, it needs to be said that ICT by itself cannot solve the problems of poverty and under-development - a judicious blend of emphasis on provision of basic social, education and health services along with the development of both brick and click industries is necessary in any strategy for sustained human development and poverty reduction.

Mr. President,

We are heartened to note from the report that more and more projects undertaken by the regional commissions have sought to address cutting-edge-issues in development such as ICT capacity-building; sustainable management of natural resources and their efficient use; trade facilitation and electronic business; capacity building for managing globalization; and

promoting technologies for employment and poverty alleviation. We also agree with the report that the most significant and valuable contribution that the regional commissions can make in support of their respective membership is by helping anchor their policy perspectives and analytical work relating to ICTs and the information societies firmly on the social economic and cultural imperatives that are unique to each region/sub-region and country.

Thank you, Mr. President.

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409. Statement by Permanent Representative at the United Nations Nirupam Sen on "Threats to International Peace and Security caused by Terrorists Acts" at the Security Council.

New York, Spetember 13, 2004.

Mr. President,

As this is the first statement I am making in the Security Council, let me begin by extending my warm greetings to you and your colleagues in the Council.

Please allow me to extend our heartiest felicitations to you for assuming the Presidency of the Security Council for this important month in the calendar of activities of the United Nations. I also wish take to this opportunity to congratulate Ambassador Andrey Denisov of the Russian Federation on his exemplary stewardship of the Council during his Presidency in the month of August.

I wish to thank Ambassador Munoz, Chairman of the 1267 Committee, for his comprehensive briefing on the considerable progress achieved in the work of the Committee since the last public meeting on this issue. I would also like to place on record our appreciation of Ambassador Munoz and his able team as well as concerned members of the UN Secretariat for the direction they have provided in the implementation of the relevant resolutions of the Al-Qaeda/Taliban sanctions regime.

Mr. President,

It has been three years since the attacks of September 11 in New York. Unfortunately, since then, incidents of terrorism in the Russian Federation, Spain, Saudi Arabia, India and other parts of the world, have amply demonstrated that international terrorism is not a passing phenomenon. In fact, as Ambassador Munoz has rightly reiterated, it constitutes today one of the most serious threats to international peace and security.

The horrific images of the heinous murder of some 300 innocent civilians, mainly children, at the hands of terrorists in Beslan in the Russian Federation less than a fortnight ago are still fresh in our minds. The bomb attack outside the Australian Embassy in Jakarta on 9 September, which claimed at least four lives, was a manifestation of the same malaise - of international terrorism representing an attack on all nations. I wish to take this opportunity to extend our deepest sympathy to the Governments of the Russian Federation and Indonesia, and our heartfelt condolences to the victims of the attacks and their families. We are with them in sorrow and solidarity.

The international community would have to do more than issuing routine condemnations of such acts of terrorism. It would have to act at bilateral, regional and multilateral levels to speedily and effectively address the clear and present danger represented by international terrorism. The 1267 and 1373 Committees of the Security Council are an important facet of the international community's response. It is therefore only natural that we carefully analyse the strategy adopted by these bodies in the fight against terrorism.

Mr. President,

The appointment of a new and efficient Analytical Support and Sanctions Monitoring Team, established pursuant to resolution 1526, is a welcome development.

We agree with the Chair that the Team deserves to be commended for having produced a "concise, well-conceived and high-quality document" for its first report. I should like to provide our comments on some aspects of the report of the Monitoring Team:

The assessment of the Monitoring Team that the threat from "Al-Qaeda terrorism remains as real today as it has been at any time since October 1999" has been validated by the number and intensity of attacks worldwide with their ideological underpinnings traceable to the Al-Qaeda.

The Monitoring Team's conclusion that the sanctions regime imposed by the Security Council has had limited impact is disappointing as it reflects a continuation of the trend reported by the previous Monitoring Group in its first report issued pursuant to resolution 1455. In our statement on 29 July, 2003 during a public debate in the Council on the same item, we had noted that the Monitoring Group had reported on the limitations of the sanctions regime, in particular the continuing ability of the Al-Qaeda to finance its activities; ineffectiveness of the travel ban; continued use of small arms and light weapons; and the nexus between drug smuggling and terrorism.

Where the report of the Monitoring Team is encouraging is in its recommendations on the ways and means to address the existing limitations. Most of the recommendations appear to be provisional, but could, in our view, form the basis for refinement of the existing measures required to adapt them to the changes in the nature of Al-Qaeda/Taliban operations.

We agree with the assessment of the Team that the Taliban remain a real threat to the reconstruction and stability of Afghanistan. We do not, however, believe that the mutual support between the Al-Qaeda and Taliban is confined to assistance with local needs. Nor do we subscribe to the perception that the relevance of the Taliban was confined to the means and space they provided the Al-Qaeda to flourish. It has to be reiterated here that the Taliban was an offshoot of the same fundamentalist and militant ideology that spawned the perpetrators of the terrorist attacks of 9/11 and elsewhere in the world. The fact that they continue to operate within Afghanistan is a telling indicator of the support and safe haven they continue to receive. The inescapable but unstated

conclusion of the Report's analysis is the integral, seamless nature of the Al-Qaeda-Taliban relationship, their common ideological incubators and training. It is this Committee's mandate to identify those individuals and entities which represent this group with the intention of bringing to bear upon them the measures envisaged under the relevant resolutions, including 1526, and we hope it will do so without fear or favour.

We also agree with the conclusion that the Consolidated list suffers from practical and technical problems. In our view, the first priority of the Committee and the Monitoring Team should be to convince Member States to be more forthcoming with information, particularly with regard to the Taliban, on individuals and entities in territories under their control. The second, should be to hold States that harbour such listed individuals or entities accountable for noncompliance of the relevant Chapter-VII resolutions.

We appreciate the stated objective of the Monitoring Team to engage and cooperate with Member States in the implementation of its mandate. Some ideas enunciated in this regard, including the convening of a small group of professionals with the requisite experience and expertise to enhance understanding on the issue and the proposal to conclude an international agreement that would preclude offer of asylum to those on the Consolidated List are noteworthy and should be further explored.

We also welcome the increase in number of tours to States to enhance coordination and information exchanges. We would caution, however, that to optimise results, such visits be carefully coordinated between the Chair, Committee and Monitoring Team. Ideally, a visit of this nature to a Member State should involve all three components and possibly even the CTC/CTED, in the context of greater cooperation envisaged with these bodies. This would enable a more coherent presentation of exchange of views, better access and less duplication in terms of time and money. The differing roles of the Committee and Team can be reconciled by bifurcating field visits or meetings

after completion of the common elements of the programme.

We do hope that in keeping with its professed spirit of cooperation and transparency, the Committee will authorise a more liberal sharing of information with the general membership on the results of such visits.

Mr President,

The report of the Monitoring Team has allowed us to start working on a new set of recommendations designed to increase the efficacy and relevance of the sanctions measures against terrorist groups such as the Taliban and Al-Qaeda. We are confident that some of the ideas these recommendations represent will receive further expression by the time the next report of the Team is due. The continued relevance of the Committee and all of our efforts depend on keeping ahead of the game.

Before I conclude, I would like to express our agreement with the implication of the Secretary General's remarks quoted by you, Mr. President, and the remarks of the EU representative concerning sanctions being more effective in the context of fundamental freedoms and the rule of law. The present Government of India with its secular heritage, voted to power by the rural and urban poor, is committed in its common minimum programme to the repeal of the Prevention of Terrorism Act.

I wish to conclude by offering full cooperation in fulfilling the objectives of the Team and our willingness to share the expertise developed in India accumulated through decades of experience in countering terrorism.

Thank you, Mr. President.

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410. Statement by Permanent Representative at the United Nations Nirupam Sen on "A Fair Globalization implementing the United Nations Millennium Declaration" at the special meeting on the Report of the Commission on the Social Dimension of Globalization.

New York, September 20, 2004.

Mr. Director General,

Your Excellencies President Halonen, President Mkapa, President Chirac, President

Luis Inacio Lula da Silva

Your Excellency Mr. Jean Ping, President of the 59 th Session of the General Assembly,

Excellencies Ambassadors and Permanent Representatives of Member States to the UN, Distinguished Delegates, Ladies and Gentlemen, I have the honour to read the text of the message from His Excellency Dr. Manmohan Singh, Prime Minister of India, on this occasion.

> "I would like to felicitate President Halonen of Finland and President Mkapa of Tanzania on their initiative to organise the special meeting on "A Fair Globalisation: Implementing the United Nations Millennium Declaration".
>
> The subject is a major preoccupation of our time, and one that engages decision-makers and policy analysts, as well as citizens, the world over.
>
> This meeting provides an opportunity to highlight the findings of the Report of the World Commission on the Social Dimension of Globalisation including in the context of discussions in the United Nations. This Report is significant as it elaborates comprehensively the challenges of globalisation, and the need that these be addressed in a constructive and inclusive manner.
>
> I should add that our own experience in India with globalisation has reaffirmed the importance of our strong democratic institutions and of appropriate policies, including a focus on

the development of human resources.

At the same time, effective national action also requires an enabling and facilitatory international environment, in which countries may formulate policies designed to promote economic growth and social justice.

The recommendations of the World Commission will, I hope, lead to the development of a broader international consensus on this subject.

With my best wishes for a productive meeting."

2. We share the conclusion in the Report that to ensure policy autonomy in developing countries and gains in trade and FTI, the international economic and financial system has to undergo far-reaching reforms. In our view this requires a reform of the UN itself since, in the words of the Report, "the UN multilateral system constitutes the core of global governance and is uniquely equipped to spearhead the process of reform"

3. We believe that the discussions in the General Assembly on the report of the World Commission will provide a valuable input in our preparations for the 2005 Major Event on the comprehensive review of the implementation of the Millennium Declaration. Therefore, we feel it is important that these discussions begin at an early stage of the 59 th session and feed into the preparations for the high level event next year. In other words, our consideration of the report of the World Commission would be one of the building blocks for the Major Event next year.

Thank you, Mr. Moderator.

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411. Address by Prime Minister Dr. Manmohan Singh at the General Assembly.

New York, September 23, 2004.

Mr. President,

Allow me to congratulate you on your election as President of the 59th Session of this August Assembly. May I assure you of India's full support in ensuring its success.

Sir, as we gather here on the 60th year of the United Nations, we might perhaps pause to reflect on the fate of the ideas and ideals of the international community that animated its creation.

The post-war generation had already become aware that the world which had emerged from the ashes of the global war could no longer be a peaceful world unless the underlying forces of conflict were addressed effectively by the entire community of nations as a collectivity.

Nations, therefore, were united together to make the world a safer and more peaceful place, a world in which a free people could together pursue a destiny of shared prosperity.

Mr President, the impulse behind the creation of global institutions nearly sixty years ago has become even more pressing reality today. If we look around us, the single most defining characteristic of our contemporary world is the global, transnational character of the many challenges we confront, whether these are in the realm of international security or development.

Virtually every major issue that we face as nation states, has both a domestic as well as a transnational dimension. It is becoming increasingly apparent as never before that unless we fashion a global response, based on a meaningful consensus, to these challenges, we would not succeed in creating a world that truly manifests the ideals of the United Nations.

Sir, terrorism is one such challenge for which many of us have paid an unacceptable price. We shall not forget that three years ago, it was this great city that witnessed the single most horrendous terrorist act in human history.

About three weeks ago, the world saw another brutal act of terror, in Russia, which took the lives of hundreds of innocent civilians, including a large number of young children.

Terrorism exploits the technologies spawned by globalisation, recruits its foot soldiers on ideologies of bigotry and hatred, and directly targets democracies.

And yet it is a sad reality that international networks of terror appear to cooperate more effectively among themselves than the democratic nations that they target.

We speak about cooperation, but seem often hesitant to commit ourselves to a truly global offensive to root out terrorism, with the pooling of resources, exchange of information, sharing of intelligence, and the unambiguous unity of purpose that is required. This must change, Mr. President.

We do have a global coalition against terrorism. We must now give it substance and credibility, avoiding selective approaches and political expediency.

Mr. President, let me turn to other major challenges we face today, such as the proliferation of weapons of mass destruction. There is an increasing reliance on restrictive regimes and the use of punitive action to confront this threat to international peace and security. While India is firmly opposed to proliferation and has an impeccable record in this respect, we believe, Mr. President, that it is only a global consensus of willing nations that would ultimately prove to be the truly effective in this regard.

The Chemical Weapons Convention is a good model to follow in respect of other weapons of mass destruction including nuclear weapons.

It is through representative institutions rather than through exclusive clubs of privileged countries that we can address global threats posed by the proliferation of weapons of mass destruction and their means of delivery.

Sir, as far back as in 1988, Prime Minister Rajiv Gandhi had outlined a series of specific steps in an Action Plan, whose central proposition remains valid even today that progressive steps towards the elimination of weapons of mass destruction must be based on a balance of obligations

between those who possess such weapons and those who do not.

It is quite evident today that a global discourse is required for evolving a more cooperative and consensual international security order.

India believes that this consensus must differentiate between states whose actions strengthen non-proliferation and those that weaken realization of its objectives.

Mr. President, let me now turn to the central theme for the vast majority of UN members; the challenge of development and the eradication of mass poverty.

Globalization has undoubtedly brought enhanced effectiveness and efficiency in the functioning of our economies. It has integrated market places, higher standards of living and a revolution in global connectivity.

But, Sir, there is also the phenomenon of widening economic disparities, both within and among countries. Connectivity also means that the people are painfully aware in real time of how far and how fast they are falling behind in their relative conditions of living.

Development today is no longer a function of domestic resources and national policies alone. It is a process that is vitally linked to the international economic environment that the developing countries face.

Sir, the international community must find ways to contract the circles of exclusion. We need to find innovative sources of financing and access to new technologies that are necessary to assist those who are on the margins of globalization.

Just as prosperity cannot be sustained by being walled in, poverty cannot be banished to some invisible periphery. Development, therefore, must return to the centre of the global discourse.

We must evolve equitable and rule-based regimes to manage global trade, investment flows and movement of services.

Sir, four years ago, at our Millennium Summit, we adopted ambitious global development goals, but it is a matter of concern that we have already fallen behind in their implementation.

While globalization has generated new challenges, it has also given us new technologies to deal with these massive challenges.

The world faces looming pandemics such as HIV/AIDS, but it today also possesses remedies and skills that can rid the world of this scourge. We face problems of environmental degradation in many parts of our planet, but we also have available safe and environment-friendly technologies.

Many countries are beset by problems of hunger and malnutrition, but we posses modern techniques of food production and processing to make a hunger-free world a credible and realistic dream.

Although our excessive dependence on hydrocarbons raises concerns about the long-term availability of energy and about security of supplies, technology has made available many environmentally sound alternative technologies.

What we lack, however, is a truly global concert and a mobilization of the international community to overcome these massive challenges.

Mr President, Sir, the experience of the decades since the inception of the United Nations demonstrates the great significance of democracy as an instrument for achieving both peace and prosperity.

While it is gratifying that the frontiers of democracy have expanded dramatically in the last decade and a half, they still exclude significant numbers. Only a few months ago, in India's 14th General Elections, our country went through the largest exercise of popular will in the world. I can, therefore, assert with confidence the importance of national articulations in global forums truly reflecting the democratically expressed will of their people.

We choose to overlook the absence of democracy in too many cases for reasons of political expediency.

Sir, democracy's representative nature validates the commitment we take on as countries; it should also determine the manner in which the architecture of international institutions evolves.

For what is required for the international community to successfully deal with global challenges, whether they be security challenges, economic

challenges or challenges in the sphere of the environment are the existence of international institutions and a culture of genuine multilateralism.

The United Nations and its specialized agencies are the only instruments available for responding effectively to the challenges we face collect.

But what is missing is our sustained commitment to democratize the functioning of the United Nations.

Sir, it is common knowledge that the UN is often unable to exert an effective influence on global economic and political issues of critical importance.

This is due to its what may be called as "democracy deficit", which prevents effective multilateralism, a multilateralism that is based on a democratically-evolved global consensus.

Therefore, reform and restructuring[1] of the United Nations system can alone provide a crucial link in an expanding chain of efforts to refashion international structures, imbuing them with a greater degree of participatory decision-making, so as to make them more representative of contemporary realities.

Mr. President, Our Millennium Declaration had recognized the urgency of the reform of the United Nations Security Council. An overwhelming majority of the world's population cannot be excluded from an institution that today legislates on an increasing number of issues, with an ever-widening impact.

The expansion of the Security Council, in the category of both permanent and non-permanent members, and the inclusion of countries

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1. When the Prime Minister met the Secretary General Kofi Annan the previous day, he had told the latter that the reform of the world organisation should be broad in character and should strengthen the General Assembly, the Security Council, the functional agencies and the Secretariat. Dr. Singh reiterated India's strong commitment to the UN and effective multilateralism. He complimented Mr. Annan on his speech at the General Assembly where he stressed the importance of the rule of law in international relations. India fully endorsed this, Dr. Singh told Mr. Annan. On the high-level panel looking in to threats, and challenges, Dr. Singh told Annan that India rejected any new category of rotational or semi-permanent members in the security Council and that the recommendations of the panel would have to be subjected to the UN's decision-making processes.

like India as permanent members, would be a first step in the process of making the United Nations a truly representative body.

Mr President, I would like to make brief references to two countries with which India has had historically friendly ties and whose early return to political normalcy is the focus of the world's attention.

The situation in Iraq causes us great concern. The United Nations has a central role to play in erasing the discord of the recent past and in ensuring that the Iraqi people can soon exercise effective sovereignty, preserving the country's unity and territorial integrity.

An end to the suffering of the Iraqi people and recognition of their aspirations should be the guiding objectives.

Consistent with our longstanding ties of friendship with the Iraqi people, India will contribute to Iraq's humanitarian and economic reconstruction.

Sir, in the past three years, the international community has assisted Afghanistan in pulling back from the brink of chaos and chronic instability.

We sincerely hope that the forthcoming Presidential elections and the subsequent Parliamentary elections will allow the Afghan people to express their will, free from interference and intimidation. India's assistance to Afghanistan's reconstruction and development will continue[1].

Relations between India and Pakistan have been a matter of attention for the international community. It is known that since January this year India and Pakistan have initiated a composite dialogue to resolve all issues, including Jammu and Kashmir. Sir, I reaffirm our determination to carry forward this dialogue to a purposeful and mutually acceptable conclusion.

In closing, Mr. President, I would like to reaffirm India's commitment

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1. A day earlier on September 22 the Prime Minister had a meeting with the Afghan President Hamid Karzai. Briefing the media on the meeting, the Foreign Secretary Shyam Saran said Dr. Singh hoped there would be a strong commitment to national unity and ethnic harmony in Afghanistan. "National unity is very important for the destiny of Afghanistan", Dr. Karzai replied. The Prime Minister offered Afghanistan more assistance. Mr. Saran said no specifics were discussed but the assistance programmes were already extensive and in the next two to three years it could touch $ 400 million. "India is committed to the stability of Afghanistan", Mr. Saran added.

to the principles that have brought us together in this Organisation.

These principles retain their relevance and validity even while the global economy and the international political order pose new and very different challenges.

All of us have to grow out of the comfort of the predictable, discard constraining habits of thought and move forward with confidence to meet the demands of the present and the future.

Each of us has to be prepared to take on new obligations and larger responsibilities relevant to the needs of our times.

Sir, I deem it a privilege to say unhesitatingly that India is conscious of the responsibilities that lie ahead. I speak of an India on the move, on the cutting edge of economic, technological and developmental transformations.

This is an India endowed with outstanding human resources, and we are putting in place policies which will respond to emerging and critical tasks. We have the capability and the capacity to take these on, and to participate in the re-structuring of a just and dynamic world order.

We are confident that in an inextricably interdependent world that we live in, our commitment to the common good, which this organization embodies, will be resolute and firm.

In this, we are inspired by the vision of internationalism bequeathed to us by India's first Prime Minister - the great Jawaharlal Nehru - his vision of a world order whose pillars are peace, harmony, cooperation and development.

This vision needs to reanimate the collective wisdom of the world community for a new partnership to meet the unprecedented challenges we face.

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412. Statement by Member of Indian Delegation to the United Nations Anand Sharma MP on the Agenda Item 52: "Revitalization of the work of the General Assembly" and Agenda Item 54: "Strengthening of the United Nations System" at the General Assembly.

New York, October 4, 2004.

Mr. President,

We are pleased to participate in this joint debate on the revitalisation of the work of General Assembly and the strengthening of the United Nations system. We thank the Secretary General for the detailed documentation presented under the two agenda items. We express our appreciation for the introductory statement made by the DeputySecretary-General, Ms. Louise Frechette.

The Non-Aligned position has already been outlined by Algeria. We would focus on some of the broader issues surrounding the two agenda items.

My delegation congratulates you, Mr. President, for the commitment that you bring with you to the process of revitalisation of the work of the General Assembly and the strengthening of the UN system. We would like to place on record our appreciation for the positive strides made under the President of the 58 th Session of the General Assembly on these issues. We will work constructively with you, Mr. President, and wish you all success in your endeavours in this regard.

Mr. President,

The process of reform and revitalisation is necessarily a slow and measured one.

We cannot expect results overnight. We need patience and perseverance in our efforts to build agreement amongst all the Member States on issues that often involve sensitive political questions. The strong, steady and purposeful forward movement of a ship perhaps better marks the approach that we need to adopt in this process.

We have made considerable progress in the previous session,

involving several rounds of consultations and informal discussions. Progress has been made on the categorisation of items under broad headings, in streamlining the work of the Main Committees of the General Assembly, to some extent, as also the biennialisation, triennialisation, clustering and elimination of items of the agenda of the Generalnsiderable progress in the previous session, involving several rounds of consultations and informal discussions. Progress has been made on the categorisation of items under broad headings, in streamlining the work of the Main Committees of the General Assembly, to some extent, as also the biennialisation, triennialisation, clustering and elimination of items of the agenda of the General Assembly. Resolutions 58/126 and 58/316 adopted by the General Assembly in December 2003 and July 2004 respectively contain some important steps forward.

We recognise, however, that these steps are essentially the first steps. The ultimate objective of the reform process is to enhance the effectiveness of the Organisation in its responsiveness to the needs of the Member States, especially the developing countries. The progress in attempts to reform and revitalise the UN system would be judged by its adaptation to the efforts of the developing countries to achieve the targets set out in the Millennium Development Goals. Simultaneously, the reform process would be judged by the effectiveness of the UN's response to the global challenges posed by the threats of international terrorism, weapons of mass destruction including the question of nuclear proliferation and disarmament, and trans-national organised crime involving the trafficking in narcotic drugs, arms and humans.

We have a long way ahead of us in reaching our objective. We hope that the high level panel of eminent personalities set up by the Secretary General to report on the threats and challenges faced by the UN and the changes necessary in its institutions and processes would come out with implementable recommendations. We hope the intergovernmental consideration of the recommendations of the Secretary-General on the report of the Panel would give us the opportunity to view the process in a holistic manner, thereby making possible reforms in different parts of the UN system. In the long term, the reforms would be enduring if different elements of the processes move in the same direction.

Mr. President,

The reform process that we are attempting must eventually enhance

the prestige, authority and effectiveness of the General Assembly and its ability to deliberate and review policy. This would have to be done in practice, through concrete action. The restoration of the prestige and effectiveness of the General Assembly could be brought about by, as an important first step, returning the thematic debates currently being held in the Security Council to the General Assembly where they rightly belong. Members of the Security Council, belonging to the G-77 or sympathetic to the views of the vast majority of the developing countries about the primacy of the General Assembly, have a major role to play in this respect. The terms of interaction between the General Assembly and the Economic and Social Council run without difficulties, but consideration would need to be given to the occasional anomalies that arise in the relationship between the General Assembly and the Security Council.

The office of the President of the General Assembly has over the last year been strengthened with additional manpower and it would be useful to review the contribution this has made to the working of the President's office. Similarly, an evaluation of the functioning of the General Assembly following the many innovative changes brought about from the beginning of this session would be a useful exercise and would help us choose the direction for the future.

The volume of paper in the UN has been notorious indeed. Those who have to cope with the enormous quantities of documents and resolutions with only a few people at their disposal in their Missions can best testify to the strangulating effect that the paper work can impose. Even larger Missions find it difficult to keep abreast with the documentation. The documents are crisper now. But the Secretariat needs to continue focusing on making documentation more manageable and user-friendly. Rationalisation and simplification of the language used in resolutions would also be useful.

Rationalisation of the language or the number of resolutions would, of course, be possible only with the cooperation of Member States.

It is important in the process of reform not to overlook the rules of procedure already adopted and available to us. The strict observance of the rules of procedure should not be compromised in the revitalisation process. It is also essential to remember the inter-governmental character of the Organisation. Interactions with civil society or other outside bodies

undertaken for making the proceedings more broad-based should only be done within the framework of assisting the inter-governmental deliberations and with the objective of increasing the quality of inter-governmental decision-making.

Mr. President,

We thank the Secretary-General for his report in response to the report of the Panel of Eminent Persons on United Nations-Civil Society Relations.

As the report of the Secretary-General has become available only very recently, my delegation has not had sufficient time to reflect on the proposals made by the Secretary-General. We would, therefore, wish to express our preliminary views on the subject.

Our consideration of the recommendations of the Cardoso panel and the Secretary-General's report on the work of the panel is complicated by the ambiguity on the definition of civil society in the report. The definition used in the panel is at some variance with the elements of 'civil society' identified earlier by the Secretary-General himself and with what has come to be commonly understood by the term. We do not believe that Parliamentarians form a part of civil society; nevertheless, the proposal to engage Parliamentarians in a more intensive manner in the work of the UN is welcome.

Their sustained interaction and association with issues of global significance can only help in improving legislation and implementation of policies in their own countries. The idea of "local authorities" as being a part of civil society is also incongruous by any standard; while local authorities are a key element of implementation, they can hardly be identified as civil society.

The proposal to establish a Trust Fund to increase the participation of representatives of non-governmental organisations from developing countries has considerable merit, and deserves further consideration. The sustained efforts of the United Nations system have resulted in significant increases in the number of participating NGOs from developing countries in recent years. The situation still needs further improvement. The creation of a Trust Fund will be a positive contribution to the process. However, clear

criteria in establishing the Trust Fund, particularly with regard to donations that are unconditional in nature, will be important for its success.

Mr. President,

We wish to address in greater detail two important issues discussed in the report. The first is the participation of non-governmental organisations in the work of the General Assembly. Though the Secretary-General states that "there is considerable merit in opening the regular work of the Assembly to increased participation by accredited non-governmental organisations", a convincing case has not been made for this. The nature of the participation and the benefits to be derived from this are not apparent, and we are not persuaded that this would benefit the United Nations or its Member States. This would also militate against both the inter-governmental principle and the principle of democratic representation since civil society NGOs, in the usual, strict meaning of the term, have not been elected.

Further, the interpretation that there is nothing in Article 71 of the UN Charter that would preclude the General Assembly from inviting non-governmental organisations to participate in its sessions is a disingenuous legal interpretation, of which there seems to be a growing trend. In our view, the provisions of the Charter and Article 71 are very clear. The Charter, through Article 71, determines that the principal relationship between the United Nations and civil society will be through the Economic and Social Council. We would be hesitant to tamper with the Charter of the United Nations and would caution against fallacious interpretations for the sake of convenience or expediency.

The second issue which merits comment is the granting of accreditation to non-governmental organisations. The Secretary-General suggests that the General Committee of the General Assembly could be designated for the accreditation process for applications for consultative status. This, in our understanding, would only be applicable if non-governmental organisations were to participate in the work of the General Assembly.

The Secretary-General refers to the comments of the Panel of Eminent Persons on the work of the Committee on Non-Governmental Organisations. The comments of the Panel are somewhat disappointing in regard to the work of the Committee on Non-Governmental Organisations. The question has been dealt with at a superficial level.

There has been a lack of adequate consultations with members of the Committee, resulting in a lack of understanding of the work of the Committee, or with the wider community of Member States on the usefulness of the Committee's work. This is indeed regrettable as the opportunity to make meaningful proposals to reform and streamline the work of the Committee on Non-Governmental Organisations for further improving the accreditation process of non-governmental organisations has been lost.

Several proposals have been discussed in the Secretary General's report with regard to country-level engagement with non-governmental organisations. Due diligence must be exercised to ensure that the mandates of the various United Nations bodies are not exceeded, nor should we lose sight of the fact that Governments are the main interlocutors of the United Nations system at the country-level.

We shall provide more details of our views on the report of the Secretary-Ggeneral and the Cardoso panel during further discussions.

Thank you, Mr. President.

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413. Statement by Member of the Indian Delegation to the United Nations Pallam Raju MP at the general debate of the Second Committee.

New York, October 5, 2004.

Mr. Chairman,

My delegation congratulates you and other members of the Bureau on your election. I would like to assure you of my delegation's cooperation in the work of the Second Committee. We associate ourselves with the statement made by the Permanent Representative of Qatar as Chairman of the Group of 77.

We would like to express our appreciation for the statement made at the beginning of this debate by the Under-Secretary-General for Economic and Social Affairs, Mr. Jose Antonio Ocampo, and for sharing with us his insight on the world economic situation and prospects.

Mr. Chairman,

Large imbalances remain in the world economy and forecasts indicate that these imbalances are expected to widen further, reflecting considerable down-side risks in the pace of global economic recovery. The huge gap in resource flows in relation to requirements of the developing countries is bound to have an adverse impact on their efforts for achieving the Millennium Development Goals and fulfilling other commitments undertaken by them. There has also been a lack of progress in the efforts to find a long term and durable solution to the external debt crisis, which continues to plague many developing countries.

The cost of meeting the non-environmental targets has been widely estimated at around US $ 60 billion a year above the current level of Official Development Assistance [ODA]. The commitments made at Monterrey would, however, increase the ODA only by an order of magnitude of US $16-20 billion a year by 2006. The implementation of commitments made at Monterrey, as also new and additional commitments are, therefore, essential if the developing countries are to achieve the agreed development goals.

The Committee, under the agenda item “Follow-up to the Monterrey Conference”, will consider the options for new and innovative sources of financing. We welcome the proposals in this regard. India perceives the new financial mechanisms as additionality in terms of financial avenues available for developing countries. It must also be ensured that new financial mechanisms do not pose additional conditionalities on the developing countries.

The Framework Agreement reached at the negotiations in the World Trade Organisation [WTO] in Geneva in early August this year is an important intermediate step. India hopes to see all WTO Members play a positive role towards achieving a balanced outcome in all areas of negotiations in agriculture, non-agricultural market access, services and other elements of the Doha Work Programme in line with the decision adopted by the General Council of WTO. A systematic effort and demonstration of considerable political will are essential to deliver the Doha agenda to meet the development benchmarks that have been set.

Environmental protection continues to remain a major challenge for

developing countries. The Johannesburg Plan of Implementation, adopted by the World Summit on Sustainable Development, recognises the need for making available the means of implementation, based on the Rio principle of common but differentiated responsibilities, to assist developing countries in their pursuit of achieving sustainable development. One of the major constraints faced by the developing countries in the implementation of the Johannesburg Plan of Implementation targets is the availability of environmentally sound technologies. The global regime in place serves to inhibit the use of technology for development by impeding the right of all to share the benefits of technological advancement. There was an agreement at the WTO last year that the Intellectual Property Rights for critical pharmaceuticals would be in the public domain to enable developing countries access them in order to address serious public health concerns. It is now time to consider such innovative approaches in relation to the implementation of the Johannesburg Plan and move away from process-centered debates on institutional framework.

The Second Committee undertakes regular reviews of progress made in the implementation of the Programmes of Action for groups of countries in special situations. In this context, we welcome the preparations under way for a comprehensive review of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States, to be held in Mauritius in January 2005. We hope that this meeting would result in increased support and assistance for the implementation of the Barbados Programme. India has been participating actively in the preparatory process and commits itself to contributing constructively in these deliberations.

Mr. Chairman,

The challenges of globalisation are manifold and demand actions both at the domestic and international levels. The report of the World Commission on Social Dimension of Globalisation has provided several recommendations for actions at the national, regional and global levels, which are worthy of careful inter-governmental consideration. For example, it has proposed wide-ranging reform of the international trade, monetary and financial institutions. Early action in this regard would have a direct and beneficial impact on the developing countries whose needs and interests are not always taken into account by them. This would also help in restoring the effectiveness and authority of the General Assembly in the areas of trade, money and finance.

Without directly addressing the questions of enhanced resource flows, capacity-building, transfer of technology and equity and rule-based regimes at the global level, the developing countries are unlikely to achieve the development goals, despite their efforts towards improving national governance and economic liberalisation.

The 2005 Major Event will undertaken a comprehensive review of the implementation of the Millennium Declaration adopted in September 2000 by the Heads of State and Government. For the developing countries, any test of the success of the 2005 Event will be determined by the extent to which it contributes to their efforts in achieving the Millennium Development Goals and in creating an international economic environment supportive of such efforts. We trust that member States would forge agreements on issues relating to trade, money and finance, transfer of technology and institutional reforms at the 2005 Event.

Mr. Chairman,

The Second Committee will undertake the triennial comprehensive policy review of operational activities of the UN development system at this session. We look forward to the review which, we hope, would address capacity-building, predictability of funding and related questions.

Mr. Chairman,

In the events immediately prior to the commencement of the general debate of this session, many world leaders reminded us that the persistence of extreme poverty and hunger is economically irrational and politically unacceptable, particularly in view of the technological progress achieved by mankind today. They also observe rightly that the barrier is not money, technology or geography but the absence of the requisite political will, commitment and courage. We share the sense of urgency displayed by the world leaders in calling for collective action at the earliest to redress the situation of extreme poverty and hunger in large parts of the world. We hope that the deliberation of the Second Committee will help us in identifying areas of cooperative action and moving forward in implementing them. We look forward to working with other delegations in addressing these challenges in the pursuit of the development agenda.

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414. Statement by Permanent Representative at the United Nations Nirupam Sen on Justice and the Rule of Law: The United Nations role at the Security Council.

New York, October 6, 2004.

Mr. President,

We congratulate you on your assumption of the Presidency of the Council for the month of October. We also felicitate Ambassador Juan Antonio Yañez-Barnuevo and other members of the Spanish delegation for their able stewardship of the Council in September, 2004.

Mr. President,

My delegation welcomes this opportunity to participate in the open meeting of the Council to discuss the item "Justice and the rule of law: the United Nations Role". The issue is a particularly important and relevant one in view of the increasing instances of UN involvement in post-conflict peace-building exercises. As Paddy Ashdown famously said in October, 2002, "In hindsight, we should have put the establishment of the rule of law first, for everything else depends on it."("What I learnt in Bosnia"). The success of the transition of society from a post-conflict to a normal state is predicated in large measure on establishing the rule of law.

Mr. President,

We recall in this context the Millennium Declaration adopted by Heads of State and Government in September 2000 which had proclaimed our resolve to strengthen respect for the rule of law in international as also in national affairs. We also recall the statement made by the Secretary-General at the commencement of the general debate of the 59th session of the General Assembly on September 21, 2004. The statement of the Secretary-General was devoted almost exclusively to the theme of the rule of law.

We have perused with interest the report of the Secretary-General contained in document S/2004/616 on "The rule of law and transitional justice in conflict and post-conflict societies". We cannot but agree with many of the primary recommendations emanating from the report.

We commend the Secretary-General for emphasising the need for eschewing a one-size-fits-all formula and the importation of foreign models,

and for stressing the importance of basing our work on national assessments, national participation and national needs and aspirations.

We agree on the need for a common understanding of the terms such as justice, the rule of law and transitional justice so as to enable member States and the UN system to work together in a coherent fashion and with the required unity of purpose.

The temptation to impose external models without the required sensitivity to cultural and other factors is too strong on the part of many. The emphasis on 'international norms and standards' often leads some member States, international organisations and civil society organisations down this path. Even as we underscore the importance of respecting international standards, the assistance rendered to a particular society recovering from conflict must necessarily take into account its socio-cultural specificities and particularities so that the support rendered by the international community becomes durable and sustainable. If the gulf between the legal structure and social norms in that society is too wide, giving effect to legal prescriptions could carry far too high a socio-political cost.

To our mind, the specific function of the legal system is crucial. Many conflicts arise from clan, ethnic, economic and other group-grievances. It is important to address these through the process of administration of law itself. Segmental entities can be transformed into healthy political competition that sustains constitutional order. The constitutional expert Granville Austin has rightly said: "This is messy but it is democracy and social revolution in action." Traditional liberal Western models, therefore, may not be adequate. A multi-cultural, socially activist legal arrangement is far more appropriate.

We agree with the Secretary-General that any support by the international community and the UN system should be preceded by a careful assessment of the national needs and capacities and identification of areas that need strengthening. Often there is a tendency to render assistance in these areas in a piecemeal fashion. Some immediate action is needed but this has to be combined with a long-term strategy.

Giving short-term training to judges and investigating officials might be helpful in itself. However, for long-term impact, such activities should form part of a broader package of programmes and projects that include a careful assessment of the legal, administrative and judicial framework,

machinery for law enforcement, institutions imparting education and training in civil and criminal law, system of courts and tribunals, legislation and drafting of rules and procedures under subordinate legislation.

We agree with the Secretary-General that the careful sequencing of activities relating to rule of law reforms and transitional justice with post-conflict elections is vital, not only to ensure their success and legitimacy but also to preserve the fragile peace processes in societies emerging from conflict. UN peace-keeping operations are envisaged as short-term interventions. While the idea of incorporating components of rule of law reforms and transitional justice activities in a UN peace-keeping operation may be unexceptionable, we ought to remember that building the rule of law and fostering democracy are long-term processes. These are beyond the capability of personnel traditionally involved in peace-keeping operations. But they can lay a vital foundation if they embody, in their outlook and behaviour, a long-standing democratic and multi-cultural tradition.

In the past decade, the UN has resorted increasingly to establishing a wide range of special criminal tribunals, including ad hoc criminal tribunals as subsidiary organs of the Security Council. Their track record has been mixed. In some cases they have succeeded in establishing accountability for perpetrators and in instilling greater public confidence in post-conflict societies that have enabled these societies to move forward. The exact balance between retributive justice and an amnesty should not be determined a priori or ideologically, but strictly by pragmatic considerations of enduring peace.

At the same time, direct UN involvement in the dispensation of justice in post-conflict situations has involved colossal expenditure and bequeathed questionable gains.

The fallout of such lavish allocation for however worthy a cause could be the disillusionment of the societies involved, which could well draw a line between the requirements of justice and the diversion of scarce resources in its pursuit. The Secretary General is correct in being chary of a dependence on voluntary contributions for the financing of UN tribunals not just because of its ephemeral nature but the undue influence this could give to donors in dealing with vulnerable local institutions normally characteristic of post-conflict societies.

Mr. President,

It must be clear that the UN is mandated to serve the objective of

transitional justice. It cannot and should not seek to recreate the pillars of the institutions of justice, other than providing assistance for capacity-building. It should leave the long-term task of institution-building to national authorities. The UN should play a supportive and facilitating role, without seeking to impose an outside optic or values of any particular country or group of countries on the delicate process of establishing the rule of law.

Any meaningful capacity-building is possible only when the society concerned establishes its governing institutions and supreme law and moves into the institution-building-phase. By and large, these functions should be left to that society. We do not think this has to be addressed in the context of transitional justice. This needs to be addressed through the legal capacity-building applicable to all developing societies.

National stake-holders have to set their reform vision and agenda for this purpose so that they can claim local ownership. This work can also be done on a bilateral basis.

I should also like to refer in this context to the capacity and expertise within the UN system in the area of rule of law and transitional justice. We find that such expertise exists, or is claimed to exist, not only in different parts of the UN secretariat but also in the secretariats of the Funds and Programmes. The need for different parts of the UN secretariat, including those of the Funds and Programmes, to work synergetically and in cooperation with each other, rather than in competition, cannot be over-emphasised.

There has been some talk of creating an independent structure dedicated exclusively to this question. We are not yet convinced of the efficacy of such an approach. At this stage, better coordination among existing units and optimal utilisation of the existing resources are called for.

The role of the United Nations in supporting the rule of law and transitional justice in post-conflict societies must involve assistance through a system-wide, coherent needs-based approach which can result in the consolidation of security and peace, social justice and democracy. In all these areas, the United Nations should play a supportive and facilitating role.

Thank you, Mr. President.

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415. Statement by Member of the Indian Delegation to the United Nations Anand Sharma, MP at the First Committee.

New York, October 7, 2004.

Mr. Chairman,

Allow me to congratulate you on your assumption of the chairmanship of the First Committee at the 59th Session of the United Nations General Assembly. I would like to assure you of my delegation's full cooperation in the discharge of your responsibilities.

2. India is firmly committed to multilateralism and the primacy of multilateral institutions, processes and instruments in the field of disarmament and nonproliferation.

3. We believe in the need to revitalize and strengthen the authority and role of the UN General Assembly, including its main Committees. UN General Assembly's Resolution 58/316 provides the parameters within which we could move in that direction. The effective implementation of the resolutions adopted by the First Committee would make it more productive in providing guidance and direction to the other multilateral efforts in the area of arms control and disarmament.

4. Member States have varying security concerns and priorities and the First Committee provides them a forum to outline those to the international community through their general statements, thematic interventions and resolutions. Any attempt to limit this opportunity will reduce the First Committee's relevance, especially to the Member States of the UN who are not represented in the Conference on Disarmament.

5. The current agenda of the First Committee is derived from the Final Document of the First Special Session of the UN General Assembly devoted to Disarmament (SSOD-I), which enjoys consensus support and reflects a delicate balance in addressing the security concerns of all Member States. Any piecemeal approach to change the agenda of the First Committee or to alter its priorities will erode this consensus and may even paralyse the working of the First Committee.

6. Failure of the Conference on Disarmament (CD) to agree on a

Programme of Work is only a reflection of the current lack of global consensus on the goals and priorities of the disarmament and arms control agenda. It is also a manifestation of the lack of political will on the part of major players to address the issues that concern other Member States, including the issue of nuclear disarmament. India has shown considerable flexibility to enable CD to agree on a programme of work that is balanced and comprehensive. The absence of agreement on an agenda of the UN Disarmament Commission (UNDC) was an outcome of the same malaise that afflicts the Conference on Disarmament. The international community has a collective interest in preserving and strengthening all elements of the institutional triad of disarmament- the First Committee, CD and UNDC. India remains committed to contributing to that goal.

7. There is a growing concern over the threat of proliferation of nuclear weapons, related materials and technology, particularly their possible acquisition by non-State actors. India shares these concerns. We believe States have the responsibility for taking measures to prevent proliferation of Weapons of Mass Destruction and related materials and technology to both non-State actors and other States. Aware of its responsibilities arising from possession of nuclear weapons, India has put in place legislative and administrative measures, including export controls for this purpose. Our record in preventing proliferation is impeccable.

8. It has been evident that the current nuclear non-proliferation regime is facing major challenges. We need to create a more inclusive and non-discriminatory structure to effectively address current proliferation concerns.

9. The focus on pursuing the goals of non-proliferation, without progress towards global and complete nuclear disarmament, may be detrimental and counter-productive.

Measures aimed at expanding or perpetuating the existing regimes of export controls and technology denials will hinder peaceful applications of nuclear technologies and reinforce the existing divide between nuclear and non-nuclear States by creating a new class of haves and have-nots.

10. The peaceful uses of nuclear energy, including for electricity generation, remains crucial to economic and social development of many developing and developed countries. It can provide environmentally sustainable energy security. The need for ensuring access to nuclear

technologies and materials for peaceful purposes is, therefore, as important as preventing proliferation of sensitive technologies and materials.

11. As long as nuclear weapons exist, the threat of use of nuclear weapons, accidentally or inadvertently, will remain. Only global and complete nuclear disarmament, within a time-bound framework, can totally eliminate the danger of a nuclear war.

12. This was the cornerstone of India's Action Plan for the elimination of nuclear weapons unveiled by late Prime Minister Rajiv Gandhi in 1988 at the Third Special Session of the General Assembly devoted to disarmament and continues to be India's abiding objective even today.

13. While pursuing the goal of nuclear disarmament, it is desirable to take immediate steps for reducing nuclear danger. These could include measures to de-alert and detarget nuclear weapons, legally binding commitments on no-first use of nuclear weapons and non-use of nuclear weapons against Non-nuclear Weapon States.

14. Simultaneously, we need to evolve a new global order based on cooperative security and multilateralism. Addressing legitimate security concerns of States may help in creating a conducive environment for achieving global disarmament and nonproliferation objectives.

15. The growing danger of terrorists acquiring weapons of mass destruction, related materials and technologies has added a new and more menacing dimension to the traditional danger of a nuclear war. The international community has demonstrated the will to confront this danger, which is manifested in the adoption by the General Assembly during the last two Sessions by consensus of the resolution, sponsored by India, on "Measures to prevent terrorists from acquiring weapons of mass destruction" and adoption of Resolution 1540 by the Security Council this year. India is presenting the resolution again to reaffirm the commitment of the international community to take measures to combat this danger.

16. The new challenges can be effectively dealt with only through truly universal and non-discriminatory regimes such as Biological and Toxin Weapons Convention (BTWC) and Chemical Weapons Convention (CWC) and by building on them.

17. There is a need to strengthen the international norm against biological

weapons. India is committed to the current process of annual meetings of experts and States parties of the BTWC to consider specific topics. The 2006 Review Conference will provide an opportunity to put in place mechanisms to further strengthen this instrument and to address in parallel the threat of use of biological weapons by non-State actors.

18. India's commitment to the Chemical Weapons Convention is evident in India's exemplary performance in meeting its targets for destruction before the prescribed deadline. We have a collective stake in ensuring that the provisions of the Convention are implemented fully and effectively.

19. Illicit trade in Small Arms and Light Weapons (SALW) not only poses a threat to the security of States but also endangers their socio-economic and political stability. The impact of illicit trade in small arms is aggravated by its links to organized crime, terrorism and trafficking in narcotics. We hope the UN Programme of Action is fully implemented. Commendable progress in negotiations on an instrument on marking and tracing of SALW has been made. The Second Biennial Meeting of States in 2005 will provide a useful opportunity to review the progress so far in implementation of the UN programme of Action.

20. Agreement on a new Protocol on Explosive Remnants of War under the Convention on Certain Conventional Weapons (CWC) shows that multilateral negotiations can achieve significant results provided there is political will. India had the privilege to Chair the Meetings of the Group of Governmental Experts and States Parties to the CCW in 2002 and 2003. India continues to coordinate the Working Group on Explosive Remnants of War, which is deliberating preventive technical measures and implementation of international humanitarian law in the context of Explosive Remnants of War.

Mr. Chairman,

21. The success of the First Committee will be measured not by how short our statements have become, how the number or the length of the resolutions adopted have come down and how free and interactive our debates have been but in whether all these propel the multilateral disarmament fora towards reengagement and productive discussions and negotiations. It is our hope that deliberations during the current First Committee session and the resolutions that we shall adopt will together

provide an impetus to evolving a global consensus for meeting contemporary challenges, including threats to international security, the proliferation of weapons of mass destruction and the moribund status of multilateral disarmament negotiations.

I thank you for your attention.

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416. Statement by Member of the Indian Delegation to the United Nations Nilotpal Basu MP on Agenda Item 20: "Implementation of the Declaration on the Granting of Independence to Colonial Countires and Peoples" in the Fourth Committee.

New York, October 7, 2004.

Mr. Chairman,

We congratulate you on your election as Chairman of the Fourth Committee. I should also like to felicitate other members of the Bureau on their election and would like to assure you of my delegation's cooperation in the discharge of your responsibilities.

Mr Chairman,

Even as we have entered a new century, we continue to grapple with the vestiges of a bygone system that runs contrary to the fundamental principles of this Organisation. Colonialism is anachronistic as it is outmoded, going against the tenets of democracy, freedom, dignity, progress and human rights. While the UN has notched remarkable progress in the past by removing over 80 countries from its list, there are yet 16 Non-Self Governing Territories [NSGTs]. They serve to remind us that the process of decolonisation is incomplete and that more needs to be done. We are into the fourth year of the Second International Decade for the Eradication of Colonialism [2001-2010] and unless we intensify our work to implement the various resolutions and recommendations to eradicate colonialism, the Special Committee of 24 may have to call for more decades to complete its work.

The way ahead must be a judicious mix of urgency and activism on the one hand, and on the other, one of sensitivity and circumscription, that takes into account, first and foremost, the needs of the people of the Territories and their special circumstances. Appropriate format and timing for the completion of decolonisation in each territory need to be found. Ascertaining the political aspirations of the people in each of these Territories, and taking into account the stages of development and advancement of each Territory are critical in making decisions that enable them to bequeath to themselves political and socio-economic institutions and structures of their choice. The importance of eschewing a "one size fits all" approach cannot be overstated; the focus should instead be on a case-by-case approach, with a view to making real progress in each Territory.

Dissemination of relevant information regarding options that may be available to the people in the Territories is crucial. All too often, the peoples of the Territories may be unaware of their legitimate political status options; for real constitutional and political advancement to occur, the peoples of the Territory require sustained and unbiased information on their licit options of political equality, namely, independence, free association with an independent state or integration with an independent state, as clearly defined under Resolution 1541 [XV] of the General Assembly.

Two other important tools which could serve to bridge this information deficit in decolonisation, are the visits of UN Missions to the Non Self-Governing Territories and the conduct of Regional Seminars by the Special Committee of 24 on Decolonisation.

The instrumentality of visiting Missions is useful in collecting adequate and first-hand information on conditions in the Territories and for ascertaining the wishes and aspirations of the peoples concerning their future status. We are in agreement that such missions are important in the context of furthering modalities and action plans for decolonisation and observing acts of self-determination. We hope that the administering Powers would extend their full cooperation to the Special Committee in facilitating such visiting missions. Similarly, we favour the holding of Regional Seminars by the Special Committee, in an effort to mobilize world opinion to support and assist the peoples of the Territories in bringing about a speedy end to colonialism. The idea of combining visiting Missions to certain Territories with seminars in order to optimize available resources is a worthy one, and needs to be pursued.

The role of the administering Powers is a determining factor. A spirit of cooperation and flexibility has largely imbued their actions in recent years and we would call upon them to further build upon this, in particular, in assisting the Special Committee to devise accelerated action plans for the decolonisation of certain Territories in their quest for self-determination. The visit of a UN Mission to Tokelau took place in 2002 with the active support of the Government of New Zealand. Since then, that Territory has made considerable progress along the path to self-determination. The support and cooperation displayed by the UK in organizing a Regional Seminar in Anguilla last year - the first in a Territory – is another example of the kind of cooperation needed if we are to move ahead in our common quest to liquidate colonialism. The formal participation by a representative from the UK on that occasion, and the continuing involvement of the UK again this year at the Pacific Regional Seminar held at Madang, Papua Guinea, is indeed encouraging. We hope that this spirit of cooperation and partnership displayed by New Zealand and the UK will eventually lead to the formal participation by the administering Powers in the work of the Special Committee, and in particular, lead to their active involvement in the work relating to the Territories under their respective administrations.

We should like to express our appreciation for the work of the Special Committee. We are in agreement with the proposal of the Chairman of the Committee of 24 that a midterm review of the implementation of the Second International Decade, in an attempt to move the process forward. We endorse the idea that the Committee should develop a mechanism to systematically review, on an annual basis, the implementation of the specific recommendations on decolonisation with a focus on implementing the mandate as contained in General Assembly resolutions and the plan of action of the Second International Decade. We should like to assure Chairman Robert Guba Aisi of the Committee of 24 of our full support and involvement in his efforts to move the agenda ahead and successfully complete the mandate of the Special Committee.

Mr Chairman,

As a founding member of the UN and the Special Committee of 24 on Decolonisation, we share a particular solidarity with other erstwhile-colonized peoples and nations. We re-dedicate ourselves to the cherished ideals of freedom, democracy, human rights, dignity and peaceful co-

existence, while also reaffirming our commitment to achieve the goal of decolonisation to which, we are as member of the UN family, have subscribed.

Thank you, Mr Chairman.

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417. Statement by Permanent Representative at the United Nations Nirupam Sen on Agenda Item No: 10 " Report of the Secretary General on the Work of the Organisation" at the General Assembly.

New York, October 7, 2004.

Mr. President,

We welcome this opportunity to participate in the debate under agenda item 10 on the report of the Secretary-General on the work of the Organisation. We thank the Secretary-General for the report and the statement he made at the commencement of the general debate introducing the report. The theme of the statement on the rule of law, both at the national level and at the international level, was most welcome and timely. In a longer historical time-span, we may ask whether the UN has performed better than during the Cold War? In matters of peace and security, the results are equally, if not more, problematic. In economic matters, there is clearly a marked decline from a period when ideas like GSP, Integrated Programme for Commodities, Special Drawing Rights, Complementary and Supplementary Financing and debt forgiveness were first advanced and agreed upon in the UN and then followed up by specialised agencies. These strengthened peace and security in spite of the Cold War. However, it would be unfair to put all the blame on the UN, for the UN is only as strong as its members.

The Secretary-General's description of the year under review as "extraordinarily challenging" is most apt. The period, beginning with the commencement of military action in Iraq, its aftermath, the surge in peacekeeping operations, the threat of international terrorism and its linkages with weapons of mass destruction, has been both challenging

and taxing for the United Nations system. At the same time, the increased responsibilities in dealing with the trans-national issues relating to international crime, poverty, hunger, malnutrition, infectious diseases and epidemics, environmental degradation, human rights violations and humanitarian emergencies, have called upon resources and reserves that the international community has striven hard to find.

The new and onerous demands being made on the UN system are but manifestations of the post-Cold War 21 st century where intra-State conflicts outnumber inter-State conflicts, where failed states place a heavy burden on their neighbours and the international community, and where interpretations of the rule of law are consistently stretched. In the circumstances, we agree with the Secretary-General that the recommendations of the High-level Panel on Threats, Challenges and Change should be "bold and practicable".

Mr. President,

2005 is a crucial year in addressing the new challenges that the UN is confronted with. The coinciding of the recommendations of the High-level panel, the Millennium-plus-Five event and the 60 th year of the establishment of the Organisation should provide sufficient impetus for the international community, in particular its Member States, to endow the United Nations with the strength, resources and direction required to enable it to boldly and effectively face the future that lies ahead.

We agree with the Secretary-General's view that UN reform will not be complete without Security Council reform, bringing it into line with today's realities.

We do hope that the High-level Panel would take note and comprehensively address the issue of Security Council restructuring. There is a widespread view, particularly within the developing world, that the imbalance in the current composition of the Security Council is making the Council's decisions more difficult for many countries to accept and implement. Therefore the bold and practicable ideas that could emerge from the High-level panel to address the many ways and means of increasing the relevance and effectiveness of the UN in areas such as counter-terrorism, the non-proliferation of weapons of mass destruction, humanitarian crises, etc., would in large measure hinge on the ability of the

Panel to comprehensively and satisfactorily address the imbalance in the Council's composition.

Mr. President,

The Secretary-General has, in his report, recalled that the Charter requires the United Nations to promote the conditions of economic and social progress and development, as well as solutions to international economic, health and related problems. He has drawn attention to the increasing gap between demand and raised resources required to address natural disasters, refugee situations and other humanitarian emergencies; the fight against HIV/AIDS; the critical situation in Africa, among other responsibilities devolving on the international community.

While the UN's executive and enforcement roles in areas such as peace and security, and to some extent, in disarmament and the proliferation of weapons of mass destruction are paramount, many developing countries, for obvious reasons, view the UN's engagement in the social and economic sectors as seminal. The UN is regarded by developing nations as the global conscience-keeper and, as such, must preserve this role and guide the work of specialised agencies in these areas.

The report also draws attention to the role played by the UN in conflict prevention and peace-making in different parts of the world ranging from Iraq and the Middle East to Cyprus, Sudan and Asia. The case made by the Secretary-General for conflict prevention through early warning and quiet diplomacy would undoubtedly make unnecessary the major politico-military efforts to resolve them later. At the same time, the limitations in imposing preventive and peace-making services on Member States that do not want them have to be borne in mind.

The UN has had a tradition of directly addressing operational prevention through preventive diplomacy, but should also consider the enhanced implementation of a structural prevention strategy to address the political, social, cultural, economic, environmental and other structural causes that often underlie the immediate symptoms of armed conflicts. The UN system as a whole could begin to consider the mandates of its agencies, funds and programmes through a prevention lens. It could also consider strengthening its capacity to help coordinate international efforts of all actors such as Member States, International Financial Institutions,

regional organisations, NGOs and the private sector to carry out structural prevention strategies.

Mr. President,

The surge in peace-keeping brings new challenges, the principal one being that of sustained commitment, both in terms of the troops and specialised military and civilian support services from countries that have men and the financial resources. Regrettably, there continues to be a lag, with almost 80% of the troops deployed in UN peace-keeping operations being contributed by the developing countries. The issues of effective planning, congruity among mandates, resources allocated and objectives to be achieved, safety and security of peace-keepers are some of the other areas of particular concern. These questions should be the subject of a constant dialogue and interaction among the troop-contributing countries, the Security Council and the UN Secretariat, if peace-keeping is to be effective.

The surge in peace-keeping has been accompanied by a tendency to lean towards regional solutions. Reliance on regional solutions cannot, and should not, absolve the UN of its responsibility and commitment to be the primary guarantor for the maintenance of international peace and security. While coalitions of the willing may have been authorised by the Security Council for enforcement action, in many circumstances of complex peace-keeping operations, the broadest range of capabilities available to the international community can be brought to bear only through the UN. The challenge is how best to involve regional organisations without regionalising peace-keeping.

India remains steadfast in its commitment to the ideal of promoting world peace and security; our contribution to UN peace-keeping is part of this broader strategy. We have been one of the most consistent contributors of troops to the UN, and shall continue to uphold this tradition. We shall continue to work with the Secretariat and member States in order to make peace-keeping the effective instrument that we all wish it to be.

Mr. President,

Even as countries earlier beset by conflict emerge to find peace and development, new areas of the world are faced with humanitarian emergencies of varying proportions. The efforts of the international

community need to provide humanitarian solace to those areas that have recently descended into a crisis situation, while not forgetting those which no longer have the benefit of the "CNN effect".

We are, therefore, concerned that humanitarian assistance continues to be unevenly allocated and that its levels remain insufficient. We are concerned that contributions by July 2004 fulfilled only 32% of the requirements half way through the consolidated appeal period. The section under the "Funding humanitarian emergencies" provides details of the shortfalls faced by more than one agency. Even the security needs are fully funded only in the case of Iraq while many less prominent emergencies experienced a lack of security personnel, resources and assets. We endorse the Secretary-General's call to the donor community to ensure that funding for humanitarian operations is increased and is provided more consistently across humanitarian emergencies to cover the needs of all sectors. We trust, however, that this would not be accomplished at the cost of ODA and the outlays for developmental assistance.

It is heartening to note that the refugee population has decreased significantly, falling overall 20% from 2002 to the present. We have noted that in Afghanistan while more 3.5 million refugees and internally displaced persons [IDPs] have returned to their homes since the end of 2001, an estimated 180,000 IDPs and 2 million refugees still remain in the Islamic Republic of Iran and Pakistan. Greater political stability and protection and freedom from the continuing acts of terrorism by the resurgent remnants of Taliban would, we believe, create a more congenial atmosphere for the return of the Afghan refugees.

We agree with the Secretary-General that the impartiality and neutrality of humanitarian response must be maintained in all integrated Missions. The humanitarian function should retain its sanctity and respect by remaining apolitical, neutral and impartial. However, we believe that while certain situations may demand an integrated Mission, this should be the exception rather than the norm.

Association of military personnel with the humanitarian Mission would negatively impact the public perception of the humanitarian personnel. In a world increasingly becoming suspicious of the activities of the humanitarian arm of even the UN, posing serious security risks and concerns, it is imperative to maintain the separate character of the humanitarian function

to the maximum extent possible. The basic principles for providing humanitarian assistance have been well established in resolution 46/182. Wherever the humanitarian function is performed as part of an integrated Mission, these guiding principles must be respected.

The potential of natural disasters to cause widespread havoc and destruction have been recently witnessed by us in several Caribbean countries. The economic losses caused by the natural disasters are even more difficult to bear when the victims are the poor of the developing world. Natural disasters pose a great challenge to the efforts of the developing countries for achievement of the Millennium Development Goals. The developing countries, especially the disaster-prone ones among them, would benefit from assistance in the area of capacity-building in early warning systems.

Mr. President,

India is steadfastly committed to the achievement of the Millennium Development Goals. We are steadily working towards this objective. Like other delegations, however, we remain concerned that the pace of achieving the MDGs remains uneven and at the current pace many parts of the world would be unable to reach the targets by 2015. We support the need for the fulfilment of MDG-8 by the development partner countries. But, ODA alone may not be enough, as capacity-building policies and strategies would also be needed in many countries, particularly in Africa.

The Secretary-General has, in his report, rightly observed that "increased and more equitable world trade holds forth the prospect of helping nations to achieve the Millennium Development goals". We share the view that the successful outcome of the Doha Work Programme would largely depend on the manner in which interests and concerns of developing countries are taken into account and on their own negotiating skills and struggle in the post-framework Agreement period.

The Secretary-General has pointed out in his report that a road map for the implementation of the Almaty Programme of Action on Transit Transport Cooperation among land-locked developing countries, transit developing countries, development partners, including donor countries and international financial institutions, has been prepared and validated through a meeting of United Nations entities and agencies, including the World

Bank Group. We welcome this development.

The Secretary-General has, in his report, observed water and its linkages to health, poverty reduction, gender equality, education, environmental protection and peace as crucial to sustainable development. India recognises the crucial importance of initiatives in the area of 'water and sanitation' in improving the quality of the life of the poor and has given considerable attention to water and sanitation programmes in its development plans. We share the view that the question of safe drinking water needs greater prominence, both globally and locally. The major constraints faced by the developing countries in the implementation of the agreed goals are the non-availability of financial resources and necessary technologies.

These need to be addressed with a sense of urgency.

We share the view that science and technology are critical elements in our efforts to achieve the Millennium Development Goals and that there is a need to address questions of connectivity and access and to information and communication technologies and bio- technology as well as technology transfer and capacity building.

Mr. President,

The Government of India has decided to adhere to the two Protocols to the UN Convention on the Rights of the Child, namely, the protocol on the involvement of children in armed conflict, and the protocol on the sale of children, child prostitution and child pornography.

With regard to the establishment of Rule of Law in post-conflict situations, we concur with the view that "one-size-fits-all" approach should be avoided. The legal and cultural traditions of the local community have to play a key role in devising an approach for the re-establishment of Rule of Law. Involvement of local actors and legal professionals, therefore, could provide a lasting solution rather than implanting outside expertise which is unsuitable for local conditions. In terms of the UN Charter the General Assembly should debate this and many other themes.

Mr. President,

The provision of safety and security to UN personnel both in headquarters and in the field has acquired urgency. While we note that some interim

measures have been taken in this area, ad hoc approaches bring about a false sense of complacency and, in the long term, are bound to be counter-productive. We await the report of the Secretary-General mandated in Resolution 58/295 and hope that it will take a comprehensive and long-term view of this subject and propose a coherent plan of action involving all entities concerned.

We are disappointed to note that there has not been much progress on the Capital Master Plan over the last year. The principal stumbling block continues to be in the area of financing for the project. We would need to address this issue with some urgency in this session.

Reform of the Planning, Programming and Budgeting cycle mandated by the General Assembly during its last session has resulted in the preparation of a new Strategic Framework for the Organisation to replace the Medium Term Plan. We do hope that with a shorter time horizon of two years and with the plan now being co-terminus with the Budget, it would lead to better planning and delivery of mandated activities and for greater accountability of programme managers.

It is unfortunate that regular budget contributions during the last year fell behind previous years. Some peacekeeping missions are perennially short of funds.

At the same time, the UN faces an unprecedented surge in new peacekeeping demands. This makes it critical for Member States to make full and timely payment of assessed contributions. Professed commitment to the United Nations by Member States needs to be backed up by living up to the obligations.

We shall provide more detailed comments on various issues before this session under the respective agenda items.

Thank you, Mr. President.

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418. Statement by Member of the Indian Delegation to the United Nations R. Shunmugasundaram MP on Agenda Item: 147: "Report of the Special Committee on the Charter of the United Nations and on the Strengthening of the Role of the Organization" at the 6th Committee.

New York, October 7, 2004.

Mr. Chairman,

We congratulate Mr. Carl Peersman, Chairman of the Special Committee, for his presentation of the Report on the work of the Special Committee on the Charter of the United Nations and on the Strengthening of the role of the Organisation at its last session held during March - April 2004.

My delegation attaches high importance to the implementation of Article 50 relating to Assistance to Third States affected by the application of sanctions under Chapter VII of the Charter, a matter which has been under consideration in the Special Committee on Charter for the last several years.

The Security Council while imposing sanctions mandated under Chapter VII on a target State, in our view, acts on behalf of all the member States. The Council, therefore, has a responsibility to alleviate the hardship suffered by third states as a result of sanctions. The Security Council has to assess the possible effects of sanctions prior to their imposition. It should apply a clear and coherent methodology for the imposition, application and lifting of sanctions.

Sanctions should be clearly defined, targeted, imposed for a specific time-frame, subject to periodic review and lifted as soon as the reason for the imposition has ceased to exist.

Providing adequate and timely assistance on the basis of assessment of humanitarian conditions in the targeted States and affected third States, would contribute, in our view, to an effective and comprehensive response of the international community to the unintended consequences of the sanctions imposed by the Security Council. The Council should consider establishing a Fund financed from assessed contributions based on the

scale applicable to peace-keeping operations as well as by voluntary contributions, in order to assist the affected countries. My delegation reiterates our support for the establishment of a Working Group within the Sixth Committee to take up the matter of sanctions and their impact on third States.

Mr. Chairman,

On proposals made in the area of the maintenance of international peace and security, we consider the revised proposal of the Russian Federation for a Declaration on the basic conditions and standard criteria as providing a useful basis for further consideration of the topic. However, the need for developing the broadest possible agreement among Member States on the core issues addressed in the proposal cannot be over-emphasised.

We have followed with interest discussions on the Libyan proposal on the strengthening of certain principles concerning the impact and application of sanctions. We believe that the Charter defines the precise manner and the circumstances in which sanctions or other coercive measures could be imposed.

With regard to the proposal to confer a right on the target State to seek and obtain just compensation for unlawful damage sustained by it owing to illegal or excessive sanctions, we would like to reiterate this delegation's view that conferring any such right would raise issues concerning the very legality of the sanctions imposed. A cautious approach needs to be taken on this issue as it involves the law of international institutions, including the Responsibility of International Organisations, a topic of which the International Law commission is currently seized.

On the Russian proposal on Peace-Keeping Operations under Chapter VI of the Charter, my delegation believes that the political and operational aspects of peace-keeping have to be dealt with by other specialised committees and this Committee could contribute only from the legal angle.

Mr. Chairman,

The Cuban proposal aimed at redefining the powers and functions of the General Assembly and its relationship with the Security Council has

been under the consideration of the Special Committee on Charter for some time now. India attaches great importance to reform of the United Nations, including the restructuring of the Security Council. We reiterate India's commitment to the strengthening of the United Nations and enhancing its effectiveness. We are willing to consider any forward-looking suggestions as long as they do not lead to duplication of work or involve a review of the basic structure of the Charter.

Mr. Chairman,

The contribution of the Special Committee on the Charter in setting standards for Peaceful Settlement of Disputes has been significant. India attaches a high degree of importance to the principle of the free choice of means in matters of dispute settlement. In our view, any recourse to a dispute settlement mechanism requires, first and foremost, consent of the parties to the dispute.

Turning to the proposal on the Trusteeship Council, India considers it improper to envisage a role for the Trusteeship Council, at this time, in dealing with the global commons or the common heritage of mankind. We believe that this area has been covered adequately in the UN Convention on the Law of the Sea, the Antarctic Treaty System as well as under several existing international treaties. While we do not see any value at this stage by setting up a separate global mechanism under the UN, we believe that consensus needs to be built up as to the manner in which the Trusteeship Council can be put to use.

Mr. Chairman,

We find ideas outlined in the Japanese revised working paper co-sponsored by the Republic of Korea, Thailand, Uganda, and Australia on the improvement of the working methods of the Committee to be useful. However, we do not see any merit in changing, at this time, certain well-established practices of this Committee, including its decision-making procedure. In our view, ways to improve the work of the Committee and enhance its efficiency should be sought to be achieved by agreement among all concerned.

Mr. Chairman,

My delegation believes that the Repertory of Practice of the UN organs

is a valuable source of information on the application of Charter and the work of the Organisation. It is an indispensable tool for the preservation of institutional memory. We support the continuation of work on both Repertory of practice of the UN organs and Repertoire of Practice of the Security Council.

With regard to the identification of new subjects, my delegation is of the view that the Committee should first deal with proposals before it, instead of searching for new areas of work.

Thank you, Mr. Chairman.

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419. Statement by Minister of State for External Affairs E. Ahamed at the 59th Session of the UN General Assembly.

New York, October 11, 2004.

Agenda Item 11: Report of the Security Council, Agenda Item 53: Question of Equitable Representation on and Increase in Membership of the Security Council and Related Matters.

Mr. President,

We welcome the opportunity to participate in the joint debate under agenda item 11: Report of the Security Council and agenda item 53: Question of equitable representation on, and increase in membership of, the Security Council and related matters.

I join other speakers before me in thanking Ambassador Sir Emyr Jones Parry, Permanent Representative of the United Kingdom and President of the Security Council, for his presentation of the Report of the Council for the period 1 August 2003 to 31 July 2004, to the General Assembly.

In the recent past, the Security Council has witnessed a substantial increase in the range of issues brought before it for its consideration. The end of the Cold War and the advent of the 21st century have brought to the fore new threats and challenges to international peace and security. Some

of these threats, represented by an increasing number of inter- and intra-State conflicts, have evoked standard responses in the form of measures aimed at conflict-prevention, peace-keeping, peace-building, transitional justice and post-conflict national reconciliation.

Others are less direct and, in their ambiguity, pose a greater danger to the international order. These include international terrorism and the proliferation of weapons of mass destruction into the hands of non-State actors, international crime and narcotics. These require a very different response, the mechanics of which we are still calibrating. The Council has had to act decisively to deal with the new threats. These have placed enormous strains on the existing system of collective security, sometimes straining it to breakpoint.

The ability of the Council to act effectively and responsibly in the future will provide an important re-assurance for the international community that its concerns in the area of security are being adequately addressed. This not only calls for greater political will and unity on issues, but the perception that the decisions taken by the Council largely reflect the concerns and aspirations of the general membership. A greater democratisation of the existing order, increased transparency in action and the co-option of different ideas, interests and sensitivities would be essential for the endeavour to succeed over time.

Mr. President,

Of late, the Security Council has increasingly appropriated legislative and treaty-making powers, as reflected in many of its decisions. The instances of resolutions 1373 (2001) and 1540 (2004) were exceptional. But such actions should remain exceptions and not develop into norms.

Increased resort to Chapter-VII resolutions and enforcement actions, even on matters that are better resolved through multilateral cooperation, can often be counter-productive. The Council can only best succeed in the implementation of its actions when its decisions are taken through a due process of consultations with the wider membership.

My delegation views with concern the tendency of the Council to adopt decisions on issues that impinge on the wide membership of the United Nations without taking into account the views of the States concerned. We call upon the Council to ensure the provision of adequate opportunity

for the views of the wider membership to be heard on important issues through transparent mechanisms such as open debates of the Council before decisions on such issues are taken.

A majority of delegations had expressed concern over the lack of transparency in the functioning of the Council in the debate under this item at the 58th session of the General Assembly. Unfortunately, however, very little cognisance appears to have been taken of these suggestions. We had specifically recommended that selectivity in allowing participation under rule 37 of the Council's procedures be done away with in the interest of the democratisation of the Council's functioning. Yet, in a recent instance only one representative of a group of nations was permitted to express his views on an issue that, in our view, impinged on all States.

We had also spoken against the distinct lack of transparency in scheduling open and public meetings of the Council. With the exception of unforeseen developments, the Council has little reason not to disclose its full intentions for public and open events in its calendar released at the start of every month. This inexplicable lack of transparency can only give rise to misgivings on the part of the wider membership and perpetuate an impression of the Council acting as an entity separate from the wider membership in representation and intention.

We had also drawn attention to the increasing resort to thematic debates in the Council on issues that very often fall within the purview of the General Assembly or the Economic and Social Council. We had recommended that such events be rationalised and restricted in the interest of better utilisation of the time of the Council to deal with the burgeoning issues on its plate and to ensure a more productive outcome when such thematic issues are of direct relevance to the Council's work. It is high time, in our view, that thematic debates are held in the General Assembly.

Mr. President,

It is an inescapable conclusion that the true effectiveness of the Council and respect for its decisions can only be forthcoming if this critical organ of the United Nations is adjudged by the larger membership to be representative of its interests. A perusal of the items on the Council's agenda will reveal that the majority of issues under its consideration pertain to the developing world. Yet, developing countries represented in the Council

account for less than half of its membership at the best of times. This discrepancy becomes far more acute when the composition of the permanent membership is examined in isolation.

Mr President,

There is universal recognition of the critical need to undertake a comprehensive reform of the United Nations system, in order to forge a strong and effective multilateralism. This reform cannot be limited or uni-directional, but must be inclusive and all-encompassing, including elements such as revitalisation of the General Assembly, strengthening of the Economic and Social Council (ECOSOC), reform of the Secretariat machinery, reform of the planning and budgetary process and, above all, an expansion of the Security Council, including reform of its working methods and decision-making processes. This would also enable restoring the economic agenda at the United Nations, apart from effectiveness and authority to the General Assembly.

The Security Council, as it is currently configured, is not representative of contemporary realities. The Prime Minister of India had touched upon this asymmetry when he had stated in his address to this session of the Assembly on September 23, and I quote “an overwhelming majority of the world’s population cannot be excluded from an institution that today legislates on an increasing number of issues, with an ever-widening impact.” Unquote.

There has been a four-fold increase in the membership of the United Nations since its inception in 1945, including a sharp increase in the number of developing countries. Though the provisions of the Charter give the General Assembly great authority and primacy, these have been eroded steadily over the past decade. The permanent membership of the Security Council must have the critical mass to respond to the aspiration of the democracy of member States and to act accordingly. In other words, without the inclusion and presence of developing countries in an expanded Security Council, all other reform elements aimed at restoring the authority of the General Assembly would be unavailing. That the vast majority of the general membership of the United Nations finds no place in the category of the permanent members and is inadequately represented in the non-permanent category is an anomaly that needs to be urgently rectified, if the Council’s decisions and actions are to be viewed as epresentative and legitimate.

Additionally, new players from the developed world have emerged, and it is important that they find their place in a restructured Security Council.

It is imperative, therefore, that the Security Council be comprehensively reformed, which includes an expansion of the Council's membership in both the permanent and non-permanent categories, and the inclusion of both developing and developed countries as new permanent members. Any attempt to limit expansion in the category of non-permanent members alone would not introduce the required representativeness in the Council's composition. Nor would the creation of new quasi-permanent seats bring about equitable representation or enhance its legitimacy, effectiveness or representativeness. Such partial and piecemeal attempts would only serve to conserve the present structure of the Council and would, in effect, erode its credibility even further. Instead of correcting, they would exacerbate current shortcomings in the Council's structure and functioning.

On its part, India has expressed its readiness to undertake its responsibility as a global player in an expanded Security Council. We will work together with Brazil, Germany and Japan and a candidate from Africa in our quest to make the Security Council more representative, legitimate and effective.

Thank you, Mr. President.

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420. Statement by Member of the Indian Delegation to the United Nations Nilotpal Basu MP on Agenda Item: "International Cooperation in the Peaceful Uses of Outer Space" in the Fourth Committee.

New York, October 12, 2004.

Mr. Chairman,

The Indian Delegation welcomes the progress achieved by the Committee on the Peaceful Uses of Outer Space (COPUOS) at its 47th Session. COPUOS continues to play a vital role in promoting International Cooperation in Outer Space matters. We are pleased to note that COPUOS, under the mandate of the General Assembly, is contributing significantly to maintain Space peaceful, international and serving the interests of all the countries.

The 47th Session of COPUOS was chaired by Dr Adigun Ade Abiodun of Nigeria, who was elected to this position under the plan arrived at in the previous session on the composition of the Bureau of the Committee and its subsidiary bodies. India is pleased to see this smooth transition to rotation of all the five Bureau posts among the five Regional Groups.

The Indian Delegation has noted the recommendation of COPUOS to the General Assembly, that the Libyan Arab Jamahiriya and Thailand should become Members of the Committee. We fully support this recommendation, and request the General Assembly to adopt the same.

Mr Chairman,

The Indian Delegation would like to heartily congratulate the People's Republic of China on its successful Manned Space Mission carried out on 15 October 2003, thus becoming the third country in the world to achieve this capability.

Mr Chairman,

During its 47th Session, COPUOS reviewed the work and recommendations of the 31st Session of the Scientific and Technical sub-committee, and the 43rd Session of the Legal subcommittee.

India expresses its satisfaction at the work of these two Sub-

committees. COPUOS also finalized the report on the Implementation of the Recommendations of the Third United Nations Conference on the Exploration and Peaceful Uses of Outer Space (UNISPACE-III). India highly appreciates the efforts of COPUOS in the implementation of UNISPACE-III recommendations, and its efforts in preparing the Report for review by the General Assembly.

We hope that our review of this Report will focus on practical achievements resulting from implementation of UNISPACE-III recommendations and their benefits, in quantifiable terms, to the developing countries.

Mr Chairman,

We note with appreciation the activities covered by the United Nations Programme on Space Applications, in spite of budgetary constraints. The priority themes being concentrated by the Program like Disaster Management support, Sustainable Development, and Capacity Building are of utmost importance to the developing countries. In this context, we appreciate the organization of a one-day Workshop with the theme of "Satellites for Disaster Communications:

Saving Lives from Natural Disasters" by the Committee during its Session, in which a number of Communications Satellite Operators participated.

The progress achieved by the Scientific and Technical Sub-committee on other agenda items is also significant. The efforts of the S&T Sub-committee, in particular, in evolving Space Debris Mitigation Guidelines deserves our full encouragement and support.

Mr Chairman,

The objective of the Indian space Programme continues to be development and utilization of space technology for solving the problems of national development. Hence, the Programme is Applications oriented. The experience of India in utilizing space Technology and Services for national development was shared with all the Member States of COPUOS through our active participation in the S&T Sub-committee. India has, over the years, projected the importance of the new subjects like Disaster Management, Tele-education, tele-medicine and Remote Sensing

applications, and was successful in evolving consensus in the S&T subcommittee to include them as Agenda items in the post UNISPACE-III period. India has always worked to safeguard the interests of all countries, in particular the developing countries.

Mr Chairman,

With regard to the work of the Legal Sub-committee, we note with satisfaction that the Committee submitted to the General Assembly the draft resolution on the Application of the concept of the "launching State" with the recommendation for adoption. We fully endorse the recommendation and request the General Assembly to adopt the same.

The Legal Sub-Committee had considered the question of the draft Protocol on Space Assets to the Convention on International Interest in Mobile Equipment, a private legal initiative.

Views of the Member States varied widely on the issue of UN acting as the Supervisory Authority for the future Protocol. India considers that this subject to be very important – not only from the point of encouraging private legal initiatives in Outer Space matters, but also from the perspective of setting precedents for UN involvement in non-governmental private initiatives, and should be carefully looked at.

Mr Chairman,

Let me briefly state the achievements of the Indian Space Programme during the last one year.

Resourcesat-I, a remote sensing satellite with a number of payloads, was launched successfully into highly accurate Polar Sun-synchronous orbit on 17 October 2003 using India's own Launch Vehicle PSLV. This launch was the 7th success in a row for the launch vehicle PSLV.

Resourcesat-1 is providing excellent service to Remote Sensing Applications in India, which are primarily focused on national development. India faces challenges of education on several fronts, viz. adult and continuing education, school education, higher and professional education.

The challenge of education covers education for all ages, education of the in-school and out-offschool population, and education in various occupations. Considering the challenge and to improve educational

infrastructure, we decided on satellite-based distance education as a key strategy to supplement the formal educational structure. Towards this strategy, a communications satellite, exclusively meant for educational networks, named EDUSAT was launched recently on 20 September 2004 by the first operational flight of India's Geosynchronous Satellite Launch Vehicle, GSLV. The satellite contains payload in Ext. C and Ku frequency bands, with national and regional footprint coverages. The semi-operational phase will start with the national beam, which will accommodate eight to ten user networks. Five regional beams along with regional hubs are expected to be operational in six months time. It will be possible to accommodate about 60 user educational networks in this satellite alone.

In the Indian space Programme, special emphasis is also being accorded to Space Applications like Telemedicine, Distance Education, and use of Remote Sensing satellites for sustainable development of Natural Resources.

Mr Chairman,

International cooperation, in particular South-South co-operation, has been an important component of India's Space Programme and a number of activities in this area were taken up in the last one year.

A connectivity mission between India and nations of Africa has been launched – this involves electronic connectivity and knowledge connectivity, enabling economic connectivity of the region. All the 53 nations of the African Union are proposed to be connected by a satellite and fibre optic network. Apart from providing effective communication and connectivity among the nations, the same link will support tele-education, tele-medicine, e-governance, ecommerce, info-tainment, resource-mapping and meteorological services. This network will give rural connectivity to the entire Pan-African Union – an effective way to use technology to provide democratic access and empowerment. For this purpose, India will provide a seamless and integrated satellite, fibre optics and wireless network connecting 53 African countries for teleeducation, tele-medicine and e-services. This will connect 5 universities, 53 learning centers; 10 super-speciality hospitals and 53 patient-end locations in rural areas. This will cost about $50 Milion dollars for installation, initial operation and maintenance for 3 years.

The Seventh International conference of the Global Spatial Data Infrastructure held in Bangalore was attended by about 400 Delegates from 36 countries. An India-USA conference on space Science, Applications, and Commerce was organized in June 2004 in Bangalore. This conference has provided further impetus for increased collaboration in Space Technology and applications between India and USA. Bilateral and multilateral cooperation activities with other major Space-faring countries such as the Russia Federation and France, as well as with other developing countries with whom the Indian Space Research Organisation (ISRO) has bilateral cooperation agreements, continued during the period. India has also been active in the international professional and inter-governmental orgnisations dealing Space and Space- related applications.

The Centre of Space Science and Technology Education in the Asia – Pacific region, affiliated to the UN and operating from Dehradun continues to make substantial progress. The Centre has so far provided specialist post-graduation and short-term courses in Space Science and Technology subjects to 521 scholars from 44 countries.

Mr Chairman,

India attaches high importance to the Space and to Space Applications. International Cooperation in the Space should further enable the developing countries to benefit from Space Applications Programmes. We feel that effective implementation of UNISPACE-III recommendations, providing practical benefits, will further enhance International Cooperation in the frontier area of Space. We endorse the Report of Committee.

Thank you Mr. Chairman.

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421. Statement by Minister of State E. Ahamed on Agenda Item 45: "Integrated and Coordinated Implementation of and Follow-up to the Outcome of the Major United Nations Conferences and Summits in the Economic, Social and Related Fields", commemorating the 10th anniversary of the International Conferences on Population and Development at the General Assembly.

New York, October 14, 2004.

Mr. President,

My delegation is pleased to participate in this event to commemorate the tenth anniversary of the International Conference on Population and Development. We commend the Secretariat for the report on the review and appraisal of the progress made in achieving the goals and objectives of the Programme of Action adopted by the International Conference, prepared for this occasion. My delegation associates itself with the statement made by the distinguished representative of Qatar on behalf of the Group of 77.

The central theme of the International Conference was to forge a balance among population, sustained economic growth and sustainable development. The objective of the Agreement reached at the Conference was to raise the quality of life and the well-being of human beings and to promote human development. The Programme of Action, in our view, rightly emphasised the need to integrate population concerns fully into development strategies and planning, taking into account the inter-relationship of population issues with the goals of poverty eradication, food security, adequate shelter, productive employment and basic services for all.

The rate of population growth over the past decade has been higher in the poorer nations of the world, with four out of every five persons living in the less developed regions in 2004, and also higher within the poorer and disadvantaged sections of society. The emphasis on sustained economic growth and sustainable development in the Programme of Action becomes, therefore, extremely relevant.

Mr. President,

India formulated a national family planning programme as early as in 1952, with the objective of stabilising the population at the level consistent with the requirements 1 of growth of the national economy. The technological advances and improved quality and coverage of health care resulted in rapid fall in crude death rate in India from 25 in 1951-61 to 10 in 1991 and to 8 in 2002. In contrast, reduction in the crude birth rate has been less steep, declining from 41 in 1951-61 to 30 in 1991 and 25 in 2002. As a result, the annual exponential population growth rate was over 2% in the period 1961- 1991. But during 1991-2001, population growth decelerated below 2% for the first time in four decades, though not uniformly across the country.

The International Conference has had a profound impact on India's policy related to population stabilisation, as agreed and unanimously endorsed by our Parliament. The commitments contained in the Programme of Action find full reflection in our National Population Policy. India has a strong political commitment to achieving population stabilisation goals. A comprehensive population policy, laying down 14 socio-demographic goals and several operational strategies has been unanimously endorsed by our national Parliament. A National Population Commission has been established under the chairmanship of the Prime Minister. A National Population Stabilisation Fund has been constituted, with the Prime Minister as its Chairperson, and with an initial corpus of Rs.1 billion or approximately $ 20 million. Mobilisation of resources from the private sector for undertaking several initiatives in the under-served areas, where access to health-care continues to be inadequate, is also envisaged. An Empowered Action Group (EAG) has been specially set up to design and formulate programmes, both in terms of geographic and thematic areas, with a special focus on the needs and themes that require further attention.

Population policies in India are based on the recognition of the right of every woman to decide for herself the number of children she wants and when, while simultaneously acknowledging that male participation is equally critical. We neither evaluate our programmes based on pre-determined targets, nor encourage use of any coercive measures or inducements.

The 2001 census showed that the literacy rate in the last decade has gone up from 64.1% to 75.9% for men and from 39.3% to 54.2% for women.

Progress in 2 education contributes to reduction in fertility, morbidity and mortality rates as well as the empowerment of women. Education also provides access to information. The linkages among education, expanding markets and income, and reduction in fertility are significant for countries like ours.

Mr. President,

The Millennium Development Goals aimed at reducing global poverty and hunger by half by 2015. The Secretary General has pointed out that despite some setbacks in selected countries, progress has been made in reducing poverty rates, though not in reducing the absolute number of poor persons. Despite sustained increases in food supply globally, the number of under-nourished people has grown since 1995, as food insecurity increased in many of the poorest countries. India has made substantial progress on growth and poverty reduction over the past decade. Progress has also been made in improving literacy, enrolment, completion and gender balance in primary education. According to one estimate, with the current trends, India will comfortably achieve its targets in both income and food security. The Government of India is committed to achieving the Millennium Development Goals. This commitment has been most recently illustrated in the Government of India's budget for the year 2004 –05.

Mr. President,

The central theme of Cairo Conference was to forge a balance among population, sustained economic growth and sustainable development. The balance was based on the premise that actions by governments of developing countries would be matched by assistance from the donor community. The international assistance and support that was promised to be provided to the developing countries has fallen short.

The Secretary-General has pointed out in his report that in order to achieve the goals and objectives of the Programme of Action, continued efforts and commitment are needed to mobilise sufficient human and financial resources. On this 10 th anniversary of the International Conference, nations of the world, developed and developing, need to reiterate the resolve to achieve the goals and objectives of the Programme of Action.

Sustained, continued and enhanced assistance from the international community is needed to help achieve our common desired objective.

Thank you, Mr. President.

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422. Statement by Member of the Indian Delegation to the United Nations Kalraj Mishra MP on Agenda Item 148: "Measures to Eliminate International Terrorism" at the 6th Committee.

New York, October 18, 2004.

Mr. Chairman,

The agenda item on "Measures to eliminate international terrorism" has acquired added importance in recent times owing to the rapidity and the scale with which terrorist attacks are undertaken, cruel methods employed and the soft targets selected.

The recent terrorist attacks on soft targets such as schools, public transportation and foreign workers have shaken the world. We thank the Secretary-General for the report under this item. We express our appreciation to Ambassador Rohan Perera for his excellent presentation of the report of the recent meeting of the Ad Hoc Committee established under General Assembly resolution 51/210.

Mr. Chairman,

India has been at the forefront of the fight against terrorism for almost two decades. India is a Party to all the twelve sectoral Conventions on terrorism and has presented a Draft Comprehensive Convention on International Terrorism which is before the Ad Hoc Committee established under General Assembly resolution 51/210.

Mr. Chairman,

We believe that terrorism is a common enemy of all peoples, all beliefs, and religions and, above all, of peace and democracy. Terrorism undermines

the very foundation of freedom and democracy, continued existence of open and democratic societies and constitutes a global threat; therefore, there cannot be any compromise in the global fight against terrorism. Terrorists have been attacking innocent civilians, school-going children, places of worship, parliamentary institutions, government establishments, modes of transport, voters, candidates and officials engaged in peaceful democratic electoral processes, places of business and places of recreation.

As the fight against terrorism began to target safe havens of terrorists, terrorist net-works have spread everywhere across the regions of the world. Terrorist attacks continue to shatter our peace: from Beslan to Taba and from Jakarta to Baghdad.

International networks of terror appear to co-operate among themselves more 2 effectively than the democratic nations they target. As the Hon'ble Prime Minister of India, Dr. Manmohan Singh, stated in his recent address to the General Assembly: "terrorism exploits the technologies spawned by globalisation, recruits its foot-soldiers on ideologies of bigotry and hatred, and directly targets democracies". He also identified the hesitation of world community to commit itself to a truly global offensive to root out terrorism as one of the reasons for the increase in the brutal acts of terror worldwide. The Prime Minister of India called for giving substance and credibility to global coalition against terrorism by avoiding selective approaches on account of political expediency.

Mr. Chairman,

In order to avoid selective approaches, it is essential to ensure that the standard-setting processes involve the whole membership of this Organisation. The 1994 Declaration on "Measures to eliminate international terrorism" stands testimony to a non-selective approach to fight against terrorism as it unequivocally condemns all acts, methods and practices of terrorism as criminal and unjustifiable, whenever and wherever committed. It obliges States to refrain from organising, instigating, assisting or participating in the territories of other States, or from acquiescing in or encouraging activities within their territories directed to the commission of such acts. The Declaration states that political, philosophical, ideological, racial, ethnic, and religious considerations or those of any other nature could not justify criminal acts intended or calculated to promote a state of terror in general public. The Declaration therefore sets the tone of general

approach against terrorism which has influenced all the legal instrumentsadopted by the General Assembly in this field, including the sectoral Conventions on terrorism.

Security Council Resolution 1566 adopted earlier this month is integrally linked to the Declaration on "Measures to eliminate international terrorism". We believe that the definition contained in this resolution is much closer to that in the Draft Comprehensive Convention on International Terrorism pending before the Ad Hoc Committee.

Resolution 1566 is important for two more reasons. First, it calls upon member States to cooperate fully in the fight against terrorism on the basis of the principle to extradite or prosecute. Secondly, it makes a general call to the entire membership of the United Nations, on an expedited basis in resolving all outstanding issues with a view to adopt the Draft Comprehensive Convention on International terrorism and the Draft International Convention for the Suppression of Acts of Nuclear Terrorism. For these reasons, we fully support Security Council Resolution 1566. We stand ready to work with other delegations in resolving all the pending issues on the Draft Comprehensive Convention on International Terrorism and Draft International Convention for the Suppression of Acts of Nuclear Terrorism, expediously.

Mr. Chairman,

We are encouraged by the renewed interest among delegations in considering fresh proposals in regard to the pending draft Conventions. We hope that the General Assembly will seize the momentum generated by the adoption of Security Council Resolution 1566. The draft Convention for the Suppression of acts of Nuclear Convention appears to be complete and ready for its adoption. We support the adoption of the Draft International Convention for the Suppression of Acts of Nuclear Terrorism as it stands now. We also call for the continuation of the work of the Ad Hoc Committee within the framework of the Working Group of the Sixth Committee to achieve progress on the pending issues. The Working Group indeed provides a viable forum for making rapid progress and achieving a productive outcome.

Thank You Mr. Chairman.

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423. Statement by Member of the Indian Delegation to the United Nations Kirip Chaliha MP on Agenda Item: "Effects of Atomic Radiation" at the Fourth Committee.

New York, October 18, 2004.

Mr Chairman,

India recognises the significance and scientific value of the work of the United Nations Scientific Committee on the Effects of Atomic Radiation (UNSCEAR), which has immense implications for the health and well-being of thousands of occupational workers, people undergoing radiation treatment for medical purposes, the general public as well as those living in high-level natural radiation background areas in the world, and last but not the least, on our environment.

India notes with satisfaction that the Scientific Committee, in pursuance of the new programme of its work, continued to develop a set of documents on sources and effects of radiation as future scientific annexes. The new topics include exposure of workers and general public from various sources of radiation, sources to effects assessment of radon in homes and work places, radio-ecology, methodologies for dose assessments and effects in non-human biota, non-targetted and delayed effects of radiation, effects on the immune system and dose response of diseases other than cancer. It has also continued to deliberate on new data on epidemiology of cancer and health effects due to radiation from the Chernobyl accident.

Radon and Thoron contribute considerably to natural environment exposure as well as that of miners. The worldwide distribution of radon and thoron in homes needs to be assessed. There is new scientific information on non-targetted effects of radiation such as by–stander effects in tissues not directly exposed to radiation and the genetic instability observed in the progeny of irradiated cells some generations later. The mechanisms of these have to be understood and their impact on risk assessment will need to be evaluated. The confounding aspects such as screening effect in epidemiological studies, especially in the context of radiation effects from Chernobyl accident, need to be carefully evaluated. This holds equally for the radiation exposure in high-level natural background areas. It is timely that the Committee will analyse the information on effect of radiation on environment including non-human biota.

India would request the Scientific Committee to take note of the recently published report on the incidence of cancer in the high-level natural radiation background area in Kerala which does not indicate any alarming increase in cancer in these areas.

We appreciate the fact that the Scientific Committee has developed advanced collaboration with scientists from Belarus, Ukraine and the Russian Federation and supported comparative analysis of data based on a common methodology which will permit an objective assessment.

In order to engage highly qualified and eminent scientists in different areas of radiation effect assessment as consultants to prepare the draft documents, the Scientific Committee needs adequate budgetary support. The Committee must continue to hold its annual sessions to fulfil its mandate. For this purpose, we recommend strongly that the present funding of the Scientific Committee be augmented to the level originally requested for in the biennium 2004-'05, and continued for future biennia as well.

India is happy to note that the internet-based access to the published documents of the Scientific Committee has facilitated large-scale downloading of the scientific annexes which bears testimony to the scientific recognition, wider appeal and growing awareness of the Committee's work.

Mr. Chairman,

In conclusion, India is happy to co-sponsor the resolution sponsored by Japan on the Effects of Atomic Radiation.

Thank you, Mr Chairman.

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424. Statement by Permanent Representative at the United Nations Nirupam Sen on "Threats to International Peace and Security Caused by Terrorists Acts" at the Security Council.

New York, October 19, 2004.

Mr. President,

We thank you for providing this opportunity to the general membership to contribute its views on the threats posed by terrorist acts to international peace and security.

Mr. President,

There is today almost unanimous agreement among the membership of the United Nations that the threat represented by terrorism is global, afflicting countries worldwide irrespective of region, religion, colour or creed. The instances of terrorist attacks in Beslan or Bali, Moscow or Madrid, New York or New Delhi, Casablanca, Istanbul, Taba or Riyadh are fresh in our minds. They represent flashpoints in a larger fight against terror being waged in different parts of the world.

Terrorism is not a new phenomenon to India. Over 60,000 Indians have fallen victim to the ravages of terrorism and those who perpetuate, promote, sponsor or facilitate it. Nor is it new to the United Nations. As early as in October 1970, the General Assembly had affirmed in a Declaration that every State had the duty to refrain from organising, instigating, assisting or participating in terrorist acts in another State.

Mr. President,

We congratulate the Security Council for its unanimous adoption of Resolution 1566 on 8 October, 2004. We would have been happy to share our views on this critical resolution before its adoption but did not have the opportunity to do so. In our view, Resolution 1566 represents a logical extension of the existing multilateral cooperation on counter-terrorism. It takes forward the ideas first enunciated in landmark Resolutions 1267 and 1373 of the Security Council. In doing so, it also draws attention to the need to move forward in the General Assembly's consideration of this important issue.

Soon after the adoption of Resolution 1373, my delegation had, in a statement to the Security Council under this agenda item, recommended that the Council extend its actions to groups known to perpetuate terrorism; be pro-active in seeking the views of Member States, particularly those affected by terrorist acts; not leave unchallenged or unaddressed claims of moral, political and diplomatic support for terrorism; and institute more effective measures to deny safe haven to terrorists and seek their extradition.

Resolution 1566 seeks to implement the very measures that India had advocated almost three years ago. For this reason, among others, it has our support.

Mr. President,

Terrorism constitutes one of the most serious threats to peace and security. It knows no border or boundary, it observes no code of conduct or constraints of religious ideology, nor is it restrained by humanity or the bounds civility. Its objective is to, inter alia, "provoke a state of terror in the general public or in a group of persons or particular persons, intimidate a population or compel a government or an international organisation to do or to abstain from doing any act". It dictates its terms through death and destruction, fear and confusion. It is indiscriminate in its wrath. It cannot be justified under any circumstances, be they "political, philosophical, ideological, racial, ethnic, religious, or other similar nature".

The international community has to continue to work together to address this common global threat. The work of the 1267 and 1373 Committees has to be taken further. Resolution 1566 represents a timely and laudable initiative designed to move the international community forward in its common consideration of the issue. We hope that the Working Group constituted by the Council pursuant to this Resolution can come to an early conclusion on the need for greater international cooperation on practical measures to be imposed on terrorists and their supporters, including through prosecution or extradition and the establishment of a consolidated list of individuals, groups or entities involved in or associated with terrorist acts.

Mr. President,

Resolution 1566 calls upon Member States to cooperate fully in expeditiously adopting the draft Comprehensive Convention on International

Terrorism (CCIT) and the draft International Convention for the Suppression of Acts of Nuclear Terrorism, pending in the Sixth Committee of the General Assembly. We are confident that this would renew the impetus among Member States to activate the General Assembly on this important issue and lead to the speedy adoption of both the texts.

The unanimous Council vote in favour of Resolution 1566 was a positive sign of the commitment of the international community to remain steadfast in this global fight against terror. It is sometimes forgotten that Mahatma Gandhi who led the greatest non-violent mass movement preferred to call it off and postpone independence in the 1930s rather than compromise with an act of terrorist violence in Chauri Chaura. The integration of all faiths that have contributed to the rich fabric of Indian civilization is shown by the fact that there was not a single terrorist from India among the "foreign fighters" abroad. We also recall the unimpeachable secular credentials of the great popular movements in the Islamic world after the Second World War. Against this backdrop, the extreme reactionary vision of terrorists can only strengthen reaction while their extreme anti-humanism and devotion to death and destruction dooms them to certain failure. I would conclude by again mentioning that the new Government of India is committed to the repeal of the Prevention of Terrorism Act and, therefore, to fighting terrorism without, in Benjamin Franklin's great phrase, "diminishing the legal personality of the citizen".

Thank you, Mr. President.

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425. Statement by Ambassador and Permanent Representative to the Conference on Disarmament Jayant Prasad on Introduction of the resolution "Convention on the Prohibition of the use of Nuclear Weapons" in the First Committee.

New York, October 19, 2004.

Mr. Chairman,

I have the honour to introduce the draft resolution on "Convention on the Prohibition of the Use of Nuclear Weapons," contained in L. 29 and co-sponsored by Bangladesh, Bhutan, Brunei Darussalam, Burkina Faso, Cambodia, Colombia, Congo, Cuba, Democratic Peoples Republic of Korea, Ecuador, Egypt, Fiji, Haiti, Indonesia, Iran, Jordan, Kenya, Lao Peoples Democratic Republic, Lesotho, Libyan Arab Jamahiriya, Madagascar, Malaysia, Mauritius, Myanmar, Namibia, Nepal, Sudan, Vietnam, Zambia, and India.

The resolution underlines that the use of nuclear weapons poses the most serious threat to the survival of mankind.

Non-aligned Movement's Kuala Lumpur Summit held in February last year and the NAM Ministerial Meeting held in Durban in August this year that carried out a mid-term review have both stressed concern at the threat to humanity derived from the continued existence of nuclear weapons and of their possible use or threat of use.

As long as certain States claim an exclusive right to possess nuclear weapons in perpetuity and as long as the use or threat of use of nuclear weapons are justified as a legitimate guarantor of security, the threat of use of nuclear weapons, by States and non-State actors, will remain.

The salience of nuclear weapons will diminish if States reorient their nuclear doctrines through a commitment to no-first-use and non-use of nuclear weapons, backed by a legally binding agreement to that effect. This should be more feasible in the contemporary context, compared to 1982 when this resolution was first presented, with the Cold War having ended and the prevalence of non-adversarial relations among the major powers.

In their historic advisory opinion of 1996, the International Court of Justice made international humanitarian law applicable to the use of nuclear weapons. The ICJ stated that the use or threat of use of nuclear weapons would generally be contrary to the rules of international law applicable to armed conflicts. It also expressed the conviction that a multilateral agreement prohibiting the use of nuclear weapons would strengthen international security and create a climate for negotiations leading to the elimination of nuclear weapons.

The international community evidently needs to take decisive steps to support a legally binding instrument prohibiting the use or threat of use of nuclear weapons as an interim measure until we reach agreement on a step-by-step process for the elimination of nuclear weapons. This will serve to diminish the role of nuclear weapons in maintaining security, if not altogether delegitimise nuclear weapons, and encapsulate changes in doctrines, policies, attitudes and institutions required to usher in a nuclear weapons free and non-violent world.

The operative part of the resolution reiterates the call to the Conference on Disarmament to commence negotiations to reach agreement on an international convention on prohibiting the use or threat of use of nuclear weapons.

A positive vote for this resolution will be a vote by the international community in favour of a decisive step towards the elimination of nuclear weapons.

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426. Statement by Ambassador and Permanent Representative to the Conference on Disarmament Jayant Prasad on Introduction of the resolution "Reducing Nuclear Danger" in the First Committee.

New York, October 19, 2004.

Mr. Chairman,

I have the honour to introduce the draft resolution on "Reducing Nuclear Danger," contained in L. 30 and co-sponsored by Afghanistan, Bangladesh, Bhutan, Cambodia, Cuba, Fiji, Haiti, Jordan, Kenya, Lesotho, Libyan Arab Jamahiriya, Madagascar, Malawi, Malaysia, Mauritius, Namibia, Sudan, Vietnam, Zambia, and India.

The resolution underlines the need to hold an international conference to identify ways of eliminating nuclear dangers and calls for measures to protect humanity from the catastrophic consequences of unintentional or accidental use of nuclear weapons that can result from prevalent security doctrines and nuclear postures.

The entire membership of the United Nations in 1978 had agreed by consensus that nuclear weapons pose the greatest danger to mankind and to the survival of civilization and that effective measures of nuclear disarmament and prevention of nuclear war have the highest priority.

Twenty-six years later, and more than a decade and a half after the end of the Cold War, the concept of mutually assured destruction is universally judged to be anachronistic. The dictum that a nuclear war can never be won and must never be fought, enunciated by President Reagan at the United Nations General Assembly in 1983 is now accepted as conventional wisdom.

Pending nuclear disarmament, therefore, measures for reducing nuclear dangers are the condition sine-qua-non for safeguarding humanity's collective security interests. The resolution refers to the seven recommendations of the Advisory Board on Disarmament Matters of 2001 that would significantly reduce the risk of nuclear war, including promotion of dialogue on cooperative security, de-alerting of nuclear weapons, review of nuclear doctrines, further reduction of tactical nuclear weapons, increasing

transparency, creating a conducive climate for disarmament through educational and training programmes and preparing for a major international conference to identify ways of eliminating nuclear danger.

The unanimously adopted Millennium Declaration reiterated the commitment of Member States of the United Nations to strive for the elimination of weapons of mass destruction, in particular nuclear weapons, and to keep all options open for achieving this aim, including the possibility of convening an international conference to identify ways and means of eliminating nuclear dangers. The resolution calls for building a consensus on holding this conference.

The resolution also offers modest and pragmatic proposals for the safety and security of mankind. It calls for a review of nuclear doctrines, as also immediate steps to reduce the risk of unintentional or accidental use of nuclear weapons. The very real danger posed by the increased risk of systems and components falling into the hands of non-State actors has aggravated current dangers.

Some Nuclear Weapon States have voiced apprehension about the technical problems involved in pursuing these proposals. We do not believe these problems to be of a serious nature, so long as there is a political commitment to resolve them.

Several civil society organizations have identified one or other of the measures proposed in this resolution as feasible in the present circumstances, including taking off nuclear forces from a hair-trigger posture to reduce their alert status.

A positive vote for this resolution will be a reaffirmation by the international community to take decisive steps towards reducing nuclear danger.

I thank you for your attention.

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427. Statement by the Member of the Indian Delegation to the United Nations Kirip Chaliha MP on Agenda Item 23: Review of the Implementation of the Implementation of the Recommendations of the Third United Nations Conference on the Exploration and Peaceful Uses of Outer Space at the General Assembly.

New York, October 20, 2004.

Mr. President,

We are happy to participate in this event to commemorate the fifth anniversary of the Third United Nations Conference on the Exploration and Peaceful Uses of Outer Space (UNISPACE-III) held in Vienna from 19 - 30 July 1999. The theme of the Conference “Space Benefits for Humanity in the 21st Century” represented the status of the challenges being faced by the world, and also the opportunity provided by developments in the field of Space to meet those challenges. The Vienna Declaration on Space and Human Development adopted at the conclusion of the Conference offered a strategy to address global challenges using Space-based systems and services.

The present five-year review by the General Assembly of the implementation of the recommendations of UNISPACE-III had been mandated by the Vienna Declaration. We appreciate the efforts put in by the Committee on the Peaceful Uses of Outer Space (COPUOS) in preparing an extensive and detailed documentation for the review. The Chairman of the Committee, Dr. Abiodun, the Chairman of the Working Group which prepared the draft document Mr. Hedman, Director of the UN Office for Outer Space Affairs [OOSA] - Mr. Comacho and his staff deserve our appreciation for their efforts.

Mr. President,

The primary objectives of the UNISPACE-III Conference as set out in 1997 by the UN General Assembly were the following:

a. To promote effective means of using Space solutions to address problems of regional or global significance;

b. To strengthen the capabilities of Member States, especially

developing nations, to use the results of Space Research for economic and cultural development; and,

c. To enhance international cooperation in Space Science and Technology and its applications.

Our present review should help to evaluate how far these primary objectives were met in the implementation of the recommendations of UNISPACE-III.

We recognise the high level of synergy between implementation of UNISPACE-III recommendations and the outcomes of other major UN Conferences and Summits. Many of the targets set out in the United Nations Millennium Declaration, the Johannesburg Plan of Implementation adopted by the World Summit on Sustainable Development, and the World Summit on Information Society can be effectively met by implementing the recommendations of UNISPACE-III.

The contributions of the Committee in taking up new agenda items in line with the recommendations of UNISPACE-III, of OOSA in orienting the UN programme on Space Applications to the priorities set by UNISPACE-III recommendations, and the organisation of Action Teams to address some of the priority recommendations are commendable. Experts from a number of countries contributed to the work of Action Teams, which translated the recommendations given in the Vienna Declaration into practical actions and Pilot Projects.

The objective of increased international cooperation in the Space Field was given greater impetus as a result of these activities.

We agree with the assessment given in the report on the progress so far in implementing the recommendations of UNISPACE-III. Considerable momentum had been generated in realising the importance of Space to meet developmental challenges. The activities carried out so far, including the detailed work by the Action Teams, can be termed as the initial phase of the implementation of UNISPACE-III recommendations. We have, however, also noted the following challenges, identified in the report, in the implementation of the recommendations:

- Limited awareness among the policy makers on the benefits of Space activities;

- Limited financial resources to implement the recommendations;

- Limited expertise in Space matters, especially in the developing countries; and,

- Engaging private sector to work with the governments and inter-governmental organisations as partners in the implementation of the recommendations.

Mr. President,

We should enable COPUOS and OOSA to take the implementation of UNISPACE-III recommendations to the next higher level. We can take pride in our initiative of UNISPACEIII only when concrete results are realised to the benefit of developing countries. The UN General Assembly can provide support at two levels: one, at the political level in putting our weight behind COPUOS and OOSA; and two, by specifically mandating the implementation of the detailed Action Plans recommended by the Action Teams.

The effectiveness of Space Applications in enhancing national development in the developing countries is an established fact. Space-based services and applications can contribute significantly to the management of Earth's Natural Resources, in enhancing communications, especially to the rural and inaccessible regions, to support Disaster Management activities, to enable Distance Education and Tele-health services. The applications of Space-based systems and services have become an integral part of national developmental activities in India. We are of the view that all developing countries should initiate Space Applications programmes, and participate in the Pilot Projects identified by the Action Teams.

The availability of funds to implement the recommendations is an important question, requiring strong support from the General Assembly. The Secretary- General had addressed a letter to all States to contribute to the Trust fund established to implement the recommendations of UNISPACE-III. Apart from renewing the appeal, we should also call upon Member States to encourage private sector industry in the Space field to contribute to this Trust Fund.

Mr. President,

We shall address certain specific actions included in the chapter entitled "The Way Ahead".

The establishment of the Disaster Management International Space Coordination Organisation (DMISCO) is a priority activity which will benefit all countries. The amount of wealth being lost in the world due to natural disasters every year justifies the investment required to establish such an organisation. This will complement the initiative, taken by some Space Agencies, in establishing the International Charter on Space and Major Disasters. While the scope of the Charter is limited to providing Remote Sensing data on products in support of Disaster Management, the scope of the proposed organisation is more inclusive and will address capacity-building in the area of Space systems in Disaster Management.

The specific Action Plans elaborated by the Action Team on capacity-building are practical and fall within the scope of OOSA and UN Programme on Space Applications.

Capacity-building in the developing countries to initiate and gainfully benefit from the space Applications programmes will be a corner stone for the success of all other initiatives. The Regional Centres for Space Science and Technology Education, established in different regions of the world and affiliated to UN, could be put to effective use for implementing the recommendations on capacity-building.

There are many other specific actions and pilot projects elaborated by the Action Teams, which should be implemented with the participation of the interested Member States. Some of the proposed activities are more relevant for certain regions of the world and some others have global relevance. The UN Specialised Agencies should actively contribute to these Action Plans, and reap the benefits for their own programmes.

Mr. President,

India strongly supports the activities taken up by COPUOS and OOSA in the initial phase of implementation of UNISPACE-III recommendations. These initiatives should be further continued to translate the specific Action Plans proposed by Action Teams into realities. Progress can result in concrete benefits to all countries, especially to the developing countries, from the implementation of UNISPACE-III recommendations.

India endorses proposals by COPUOS and OOSA contained in the Report. The General Assembly should mandate COPUOS and OOSA to

pursue implementation of the recommendations of UNISPACE-III towards the ultimate aim of promoting effective means of using Space solutions to address regional and global challenges.

Thank you Mr. President.

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428. Statement by Member of the Indian Delegation to the United Nations Kirip Chaliha MP on Item 78: "Question Relating to Information" in the Fourth Committe.

New York, October 20. 2004.

Mr Chairman,

Allow me to begin by complimenting Under-Secretary-General, Mr. Shashi Tharoor, for his informative statement of yesterday, encapsulating the work and activities of the Department of Public Information (DPI). We associate ourselves with the statement delivered yesterday by the distinguished Permanent Representative of Qatar, on behalf of the Group of 77.

Mr Chairman,

The Department of Public Information is the voice of the United Nations. Its role is critical, serving as a conduit for the flow of information between the United Nations and the peoples of the world. It has undergone a process of change over the last two years and currently stands before us transformed with a new focus, direction and purpose. We have identified ourselves with the new mission statement of the Department clarifying its goals and purposes, in particular "the greatest public impact", as we have welcomed its new Organizational structure centred around its four sub-programmes; strategic communications services; news services; library services and outreach services. We are confident that in its new format it will be able to perform an effective outreach function, not only in strategically communicating the programmes and activities of the United Nations, but also in contributing to the concretising of its goals and objectives, as set out in the Millennium Declaration.

Mr Chairman,

Without dwelling in detail on what is best left to the Committee on Information (COI), I shall restrict my remarks to two items of particular importance to the Indian delegation.

The role of the United Nations Information Centres (UNICs) in disseminating information about the aims, objectives and activities of the United Nations is critical.

Their proposed reorganisation, therefore, assumes considerable importance. We have already lent our wholehearted support to the proposal to restructure UNICs by collapsing these centres into regional hubs, starting with Western Europe, in order to make the most cost-effective use of ever-dwindling resources. We had been then given to understand that the proposal would be split in two distinct parts: regionalisation followed by a "ploughing back" of funds into activities that had been identified by the Department as priority. While the first part of the bargain has been accomplished in the setting up of a Regional United Nations Information Centre (RUNIC) in Brussels, the second has somewhat slipped, which is a matter of some concern to my delegation. We would insist that the second part of the deal be followed through with the same vigour with which it was introduced, or else, the entire exercise will be viewed as a cost-cutting one, undermining the Secretariat's own position. We also await a detailed report on the functioning of the Regional United Nations Information Centre in Brussels before replicating the procedure in other regions. This would be a useful practice in terms of lessons learned, enabling us to avoid the pitfalls as we move ahead.

The Committee would recall that, in the Committee on Information this year, there had been a detailed exchange on the policies and strategies of the DPI pertaining to UN peace-keeping operations. It was agreed then that the closing of the information gap that existed between the realities and successes of peace-keeping operations and the perceptions of the public was one of the ways to concretise UN goals and objectives, and should, as such also be one of the objectives of the DPI. We are gratified to learn that several initiatives have been taken, in partnership with the UNICs, particularly the holding of media workshops, forums and seminars, articles and brochures in major newspapers as also through radio reports, in order to achieve the desired objectives. As a leading troop contributing country,

we would continue to urge that more be done to project the success stories of peace-keeping operations, both in the developed world and in the developing world from where the peacekeepers mostly come. At the very least, that could be one way of giving greater recognition to the contributions of the troop contributing countries and encouraging their Governments to continue to be responsive to the requests from the United Nations for their support.

Mr Chairman,

Some of the other important issues contained in the report of the Secretary General on Questions relating to information pertain to the UN website; outreach activities and the annual programme impact review. We should like to congratulate the DPI for the impressive strides made in the development of the UN website, an increasingly important resource-base for the UN family, and for the wider public. We shall, however, continue to sound a note of caution, as we have done before, that the new should not be at the expense of the old; even as we continue to push new frontiers in technology, we must not forget that the traditional means are often the most effective and far-reaching, in particular in the developing countries. While enhancing the non-traditional means, the DPI should continue to reach out by utilising traditional media, print, radio and TV, especially through local languages.

We laud the efforts to reach out to specialised target audiences such as non-governmental organisations, research institutions, libraries and academic communities.

The DPI should continue to increase its outreach service in regions, while at the same time work towards the strengthening of its role as a focal point for two-way interaction with civil society, relating to the priorities and concerns of the Organisation. We should also like to record our appreciation for the enhanced orientation of the UN's flagship publication "UN Chronicle" towards educational outreach, as borne out by the impressive statistics contained in paragraph 57 of the Secretary General's Report.

We welcome the continuing promotion and refinement of a culture of evaluation and performance management in the day-to-day working of a re-oriented DPI. We would encourage the DPI to continue its efforts to deepen the culture of evaluation in every aspect of its activities.

In closing, Mr Chairman, we agree fully with the assessment that the communications and public information challenges facing the United Nations are best handled when it is fully equipped to do so. The DPI today is reformed and restructured and it is heartening to learn that it has both the experience, based on lessons learned as also a new-found confidence, to take on these challenges and indeed, improve on delivery. We take this opportunity to lend our full support to Mr Tharoor and his team in the practical execution of their tasks, as they attempt to bring the United Nations closer to the peoples of the world.

Thank you, Mr Chairman.

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429. Statement of the Member of the Indian Delegation to the United Nations Ravi Prakash Verma MP on Conventional Weapons in the First Committee.

New York, October 21, 2004.

Mr. Chairman,

India remains deeply concerned that conventional weapons, including small arms and light weapons, continue to pose grave danger to the security of States. Their indiscriminate and irresponsible use, particularly by non-State actors, has caused enormous humanitarian concern. Such weapons have disrupted political stability and social harmony, derailed pluralism and democracy and hampered growth and development. They have also fuelled international terrorism and internal conflicts.

2. Multilateral diplomacy has achieved a modest measure of success in dealing with the threat posed by illicit trade in small arms and light weapons. The adoption, by consensus, of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in July 2001 reflected the commitment of the international community to deal with this issue. The Programme of Action outlines a realistic, achievable and comprehensive approach to address the problem at national, regional and global levels.

India, however, was disappointed that the Conference in July 2001 could not agree to adopt measures to prevent sale of arms to non-State groups. This is an issue that the international community needs to address during the Biennial Meeting of States in 2005 and the First Review Conference in 2006. These meetings will also provide an opportunity to review the effectiveness of the Programme of Action in achieving its objectives and to consider further measures to strengthen and promote its implementation.

3. India had the privilege to chair the Group of Governmental Experts on Small Arms and Light Weapons. India is also actively participating in the Open-ended Working Group, which is currently negotiating an international instrument to enable States to identify and trace in timely and reliable manner illicit small arms and light weapons. We accord high priority to this exercise, to which we are fully committed. India favours a legally binding instrument and the inclusion of ammunition and explosives within the scope of the instrument, if there is consensus on these proposals.

4. India will also pursue the objective of a non-discriminatory, universal and global ban on anti-personnel mines in manner that addresses the legitimate defence requirements of States. Landmines continue to play an important role in the defence of States that have long land borders with difficult and inhospitable terrains. The process of complete elimination of anti-personnel mines will be facilitated by the availability of militarily effective, non-lethal and cost-effective alternative technologies.

5. Multilateral processes, when reinforced by adequate political will on the part of key States, can achieve good results. We have achieved considerable success in dealing with the humanitarian concerns posed by indiscriminate use of landmines. The Protocol II under the umbrella of the Convention on certain Conventional Weapons (CCW), dealing with landmines, and booby traps, was amended in 1996 to make it more effective in minimizing the danger posed by landmines. The scope of the Convention was extended in 2001 to cover internal conflicts. And in 2003 another Protocol was added to CCW to deal with the dangers to civilians posed by explosive remnants of war. This was a signal achievement, on which we could build further under the CCW process. India is strongly committed to the CCW Convention and has ratified its four Protocols including Amended Protocol II. The process of ratification of Protocol V dealing with ERW is underway.

6. India had the privilege to Chair the CCW process during 2002 and 2003 when the Working Group on Explosive Remnants of War engaged in negotiations to conclude Protocol V on ERW. A Working Group within the Group of Governmental Experts on CCW continues to consider implementation of existing principles of international humanitarian law, in the context of ERW. It is also studying possible preventive measures aimed at improving the design of certain specific types of munitions, including sub-munitions, in order to minimize the humanitarian risks of these munitions becoming ERW. Another Working Group, on Mines Other Than Anti-Personnel Mines (MOTAPM), has the responsibility to consider proposals with the aim of elaborating appropriate recommendations. The Indian delegation has made constructive contribution to the deliberations of these bodies. We hope that the forthcoming Session of the Group of Governmental Experts in November 2004 will provide crucial momentum to both the Working Groups.

7. We shall work towards steady progress in the areas of Small Arms and Light Weapons and the CCW process. We hope the process is extended to other areas of conventional disarmament, leading towards the goal of general and complete disarmament.

Thank you, Mr. Chairman.

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430. Statement by Member of the Indian Delegation to the United Nations Ravi Prakash Verma MP, to introduce the Resolution "The Role of Science and Technology in the context of International Security and Disarmament" in the First Committee.

New York, October 22, 2004.

Mr. Chairman,

I have the honour to introduce the resolution "The Role of Science and Technology in the context of International Security and Disarmament" contained in document L.33 and co-sponsored by Bangladesh, Bhutan, Burkina Faso, Cambodia, Congo, Cuba, Democratic People's Republic of Korea, El Salvador, Fiji, Guyana, Haiti, Indonesia, Iran, Jordan, Kenya, Lesotho, Libyan Arab Jamahiriya, Madagascar, Malaysia, Mauritius, Myanmar, Namibia, Nepal, Pakistan, Peru, Singapore, Sri Lanka, Sudan, Viet Nam, Zambia and India.

2. India first brought this resolution before the First Committee in 1989.

3. Significant recent advances in information technology, advanced materials, and biotechnology and space applications offer vast possibilities for socio-economic development.

Access to these technologies is undoubtedly a crucial pre-requisite for developing countries.

This fact has been recognized by various Conventions for arms control and disarmament.

4. The Chemical Weapons Convention, the first multilateral disarmament agreement of a universal character eliminating a complete class of weapons of mass destruction, offered an opportunity to put in place a multilaterally negotiated, non-discriminatory and legal mechanism that would address proliferation concerns about transfers while promoting the economic interests of States Parties. The co-sponsors of this resolution want to make the CWC a model for other future organizations.

5. India has recognized the 'dual use' character of many of the advances in science and technology. The potential legitimate cause of concern.

However, discriminatory regimes deny access to these crucial technologies to the developing countries, even for peaceful developmental purposes.

6. Exclusivist export control policies were initiated at a time when there were no global agreements that comprehensively addressed proliferation concerns. Recent events question the effectiveness of such ad-hoc arrangements in achieving their stated purpose.

7. India has consistently maintained that multilaterally negotiated and non-discriminatory agreements, which are transparent and open to universal participation, would be the best way to address proliferation concerns. The NAM Kuala Lumpur Summit Final Document, adopted in February last year, has also supported this approach.

8. There is a need today, more than ever before, to agree on an effective and transparent system of export control over technologies and materials that would achieve the objectives of non-proliferation in all its aspects while ensuring access to these technologies for peaceful applications. This resolution hopes to encourage and support such a process.

Mr. Chairman,

9. India, along with the co-sponsors, hopes that this resolution will receive the widest possible support.

I thank you.

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431. Statement of Ambassador and Permanent Representative to the Conference on Disarmament Jayant Prasad on Introduction of the resolution "Measures to prevent terrorists from acquiring weapons of mass destruction" in the First Committe.

New York, October 22, 2004.

Mr. Chairman,

I have the honour to introduce the draft resolution on "Measures to prevent terrorists from acquiring weapons of mass destruction" contained in document A/C.1/59/L.31 and co-sponsored by Afghanistan, Armenia, Bhutan, Colombia, Ecuador, El Salvador, Fiji, France, Mauritius, Namibia, Nepal, Poland and Sri Lanka.

The resolution, first adopted in 2002, continued to command consensus support in 2003 both within the First Committee and the General Assembly.

It gives expression to shared concerns of the international community and calls upon Member States of the United Nations to take measures aimed at preventing terrorists from acquiring WMD. It underlines that the international response to the threat needs to be inclusive, multilateral and global. This approach has been widely endorsed, by the Non-Aligned Movement, the G-8, the European Union and most other regional organisations.

The resolution this year includes some technical updates. In particular, it takes note, in a new preambular paragraph 4, of the Security Council Resolution 1540 (2004) on the non-proliferation of weapons of mass destruction.

The resolution has continuing relevance as an unambiguous statement from a body that is universal and democratic. The representative character of the General Assembly validates and reinforces the commitments we assume as Member States in this regard.

I appeal to delegations of the First Committee to extend to this initiative an even wider measure of support than in the previous two years, through additional cosponsorship of the resolution contained in document L.31. This

will demonstrate a larger measure of involvement of the wider UN membership on this vital issue.

I thank you Mr. Chairman.

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432. Statement by Member of the Indian Delegation to the United Nations P.S. Gadhavi MP on Agenda Item 105 (B) Human Rights Question: Human Rights Question including alternative approaches for improving the effective enjoyment of Human Rights and Fundamental Freedoms; Agenda Item 105(C): Human Rights Question: Human Rights Situations and Reports of Special Rapporteurs and Representatives, Agenda Item 105(E): Human Rights Question : Report of the United Nations High Commissioner for Human Rights in the Third Committee.

New York, October 26, 2004.

Mr. Chairman,

My delegation thanks the Secretary General for his reports and the Special Rapporteurs for their reports and presentations under the Agenda Item 105 - "Human rights issues".

We also wish to felicitate the High Commissioner for Human Rights on her appointment and for her statement to this Committee. We look forward to working with her.

The High Commissioner observes in her report that "creating mechanisms for the protection of victims of human rights abuses continue to be one of the main achievements of the Commission" and that these special procedures are considered to be "pillars of the United Nations human rights protection system". The report also indicates that special procedures play a crucial role in clarifying and elaborating the content and implications of human rights norms and standards. India's disquiet at the unstructured

proliferation of special mechanisms is well-known. We note, with some regret, that the Secretary-General's repeated calls for the rationalisation of existing special mechanisms and putting them to the best possible use have received scant attention. Each special mechanism has a specific mandate, and while we agree that special procedures may have an important role as an early warning system, we do not believe that it is in their mandate, unless specified, to clarify and elaborate the content of human rights standards. We also feel that each of the Special Rapporteurs should work strictly within his or her mandate and should not transgress into areas which are beyond the mandate.

Along with the proliferation of special mechanisms, there is also a continually expanding corpus of legal instruments, together with monitoring bodies. The High Commissioner has dwelt upon the ongoing consultations of the treaty bodies in order to develop common working methods. Streamlining the work of treaty bodies so as to reduce the reporting burden on the States Parties is only to be welcomed. At the same time, treaty bodies need to focus their attention on the specifics of the treaty whosecompliance by the States Parties they are mandated to monitor.

Mr. Chairman,

The High Commissioner has reflected on the issue of 'human rights and development' and provides a curious concept of the right to development, "thus expanding the concept of development beyond the traditional notions of economic growth and progress". My delegation believes that development has to be pursued in its comprehensive and integral sense. Development is about improvement of human wellbeing, removal of hunger, disease and ignorance, provision of social infrastructure and public services and productive employment for all. Its first objective must be to eradicate poverty. Economic growth that generates the required financial, physical, human and technological resources is central to development. It is, and should be people-centred. However, what works for economic growth in a particular cultural and social situation may not be replicable in another country. Also, the stage of development and the scale on which problems of development have to be dealt with are relevant.

It needs to be emphasised that a rights-based approach to development or the mainstreaming of human rights in development efforts is a concept distinct from the mainstreaming of the right to development in

the promotion and protection of all human rights. Each has its place - one cannot subsume the other.

Mr. Chairman,

The report of the High Commissioner refers to the issue of supporting human rights at the country level, which the OHCHR proposes to do through United Nations country teams and country work and by enhancing the human rights capacities of national partners.

We have spoken on this issue earlier when the proposals were initially made, and would like to do so again. We fully support the work of the OHCHR in enhancing human rights capacities through dialogue and programmes directly with national Governments, and through work with national human rights institutions. The proposal of OHCHR to support human rights at the country level through United Nations country teams and country work is another issue altogether. The work of United Nations country teams through the Resident Coordinator system at the country-level oversees operational activities for development and development cooperation. Incorporating human rights activities at the country-level would result in the possibility that the very limited resources currently available for technical cooperation in development areas, particularly in crucial areas of human resources development, would be diverted. Although many of the international conferences have pledged additionality of resources for development for capacity-building and for technical cooperation, these have hardly been forthcoming.

In these circumstances, entrusting the Resident Coordinator system to promoting human rights at the country-level would only be at the expense of the much-needed traditional technical cooperation; and would be unacceptable to developing countries.

In this connection, we appreciate the work undertaken by the Office of the High Commissioner of Human Rights in the effort expended in national capacity-building activities through its technical cooperation programmes. The importance of these activities can be seen from the increase in expenditure from an average of US$ 4.4 million in 2000 to over US$ 14 million in 2003.

Mr. Chairman,

Earlier this year, over 600 million Indians engaged themselves in the world's largest exercise of a basic human right – the right to universal adult

franchise – to elect a government of their choice – in free and fair elections. While we in India take this right for granted, we are only too aware that this fundamental right is denied to peoples in many parts of the world, and that the enjoyment of virtually every other right depends on the exercise of this right. Democracy is an article of faith for the one billion citizens of India. Together with periodic elections, a vibrant democracy needs a whole range of institutions for its proper functioning.

India remains resolute in its belief that true respect for human rights can only be assured in a political environment that guarantees democracy and freedom. India's experience demonstrates that a democratic, pluralistic society with a secular polity, an autonomous judiciary, a vibrant civil society, an unfettered media, and powerful and independent Human Rights Commissions at the national and state levels, is an effective guarantee for the protection and promotion of human rights in a country.

Thank you, Mr. Chairman.

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433. Explanation of Vote after the vote by Member of the Indian Delegation to the United Nations Ravi Prakash Verma MP on Agenda Item 65 (j): L.46 Conventional arms control at the regional and sub-regional level

New York, October 27, 2004.

Mr. Chairman,

We take the floor to explain India's vote against the Resolution on Conventional arms control at the regional and sub-regional levels.

The United Nations Disarmament Commission had adopted in 1993, by consensus, guidelines and recommendation for regional approaches to disarmament within the context of global security. We, therefore, do not agree that there we need, at this juncture, to formulate principles for a framework for regional arrangements.

Furthermore, India's security parameters extend beyond South Asia.

A resolution that sets about applying regional security approaches to narrowly defined geographical regions are restrictive from our standpoint.

Finally, India cannot support the call on the Conference on Disarmament, a forum for negotiations of international instruments of global application, to consider the formulation of principles for a framework of regional arrangements on conventional arms control.

I thank you Mr. Chairman.

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434. Statement by Member of the Indian Delegation to the United Nations Kirip Chaliha MP on Agenda Item: 77 - "Comprehensive Review of the Whole Question of Peace-Keping Operations in all their Aspects", in the Fourth Committe.

New York, October 27, 2004.

Mr Chairman,

We welcome the opportunity to participate in discussions under agenda item 77: *"Comprehensive Review of the whole question of Peace keeping Operations in all their aspects."* We thank Under-Secretary-General Guehenno for his presentation and for the frank exchange of views that ensued. We associate ourselves with the statement by the distinguished representative of Morocco on behalf of the Non-Aligned Movement.

Mr Chairman,

The recent surge in peace-keeping operations has given rise to new challenges, more demands and some risks. A robust military presence is considered essential during the initial stages of a peace-keeping operation in order to deter spoilers and establish UN's credibility. Particularly, in the intra-state peace-keeping of today, armed elements may only partially be under the control of those who consented to UN's deployment. The United Nations must have the ability to deliver a fitting response in the face of such challenges, both to keep spoilers at bay, but also to keep the initiative and,

if challenged, to defend itself and the mandate. Such a capability is essential to project credibility. The Indian delegation supports this new muscular or "robust" aspect in peace-keeping in UN's quest to keep the peace.

Mr Chairman,

We agree that under the current concept of peace-keeping, UN's activities in the maintenance of international peace and security form a continuum from conflict prevention to peace-keeping and peace-building. We also agree that peace-keeping elements should be incorporated into the new multi-disciplinary peace-keeping operations from the outset to ensure a seamless transition, from the one to the other.

Where we disagree is the tendency to confuse peace-keeping with peace-building. Peacekeeping is short-term, designed to perform a series of specific tasks. Post-conflict peacebuilding, on the other hand, is longer-term, best left to the Agencies, Funds and Programmes of the UN system and, in the final analysis, must be locally-owned. Postconflict peace-building cannot be achieved through peace-keepers who do not have the experience or the training, resources or capabilities, to undertake post-conflict reconciliation, reconstruction and development. What they can do, however, is to lay a vital foundation for the purpose, particularly if they embody, in their outlook and behaviour, a long-standing democratic and multi-cultural tradition.

The rule of law has come to occupy a centrality within the context of post-conflict peace-building. Most recently, this issue has been dealt with by the Secretary-General in his report on *"Rule of law and transitional justice in conflict and post conflict societies"* (document S/2004/616). We cannot but agree with him on the need to eschew a one-sizefits-all-approach, as also the emphasis on basing UN's work on national assessments, national participation and national needs and aspirations. Equally, the tendency to impose foreign models must be eschewed, taking into account a society's socio-cultural specificities and particularities, so that the support rendered by the international community becomes durable and sustainable. The UN should restrict itself to playing a supportive and facilitating role, without seeking to impose an outside optic, or values of any particular country or group of countries, on the delicate process of establishing the rule of law.

Mr Chairman,

Peace-keeping has witnessed a trend by UN in recent years to lean

towards regional solutions, often forced, owing to its financial stringency or UN's own inability to muster enough enthusiasm from Member States for operations far removed. While in some cases, coalitions of the willing, authorised by the Security Council, may be a better expedient for vigorous enforcement action, nevertheless, in many other circumstances of complex peace-keeping operations, it is only through the UN that the broadest range of capabilities available to the international community can be brought to bear. The tendency to parcel or "sub-contract" should not be at the expense of UN peace-keeping, which through its universality enjoys a unique legitimacy and, through its experience, built over decades, enjoys a formidable degree of expertise. Above all, reliance on regional solutions, even when under Chapter VIII, cannot, and should not, absolve the Security Council of its primary responsibility under the Charter to be the guarantor for the maintenance of international peace and security.

Mr Chairman,

The concept of *Rapid Deployment* has enjoyed somewhat limited success in practical terms. The United Nations Standby Arrangement System (UNSAS) and the oncall lists are testimony to this. The need, however, to deploy rapidly and effectively remains critical. While we appreciate the need on the part of the UN to make attempts to solve emerging problems in peace-keeping, these must be preceded by a thorough discussion and agreement in appropriate inter-governmental forums, before these can be implemented. The foundations of such structures should necessarily be built on mutually beneficial terms and conditions – as much for UN as for the Troop-Contributing-Countries. We look forward to a thorough discussion on these and related issues within the rubric of Rapid Deployment in the Special Committee on Peace-keeping Operations.

The safety and security of UN and associated personnel, particularly in the field, continues to be an area of critical concern to my delegation. We are in agreement with the assessment of the Department of Peace-Keeping Operations that security must not be viewed as a stand-alone function within a Mission or be narrowly defined. Rather, it cuts across all activities, ranging from planning to contingency response, thus forming an integral part of mandate implementation. We have advocated all along that, even as we enhance our capacities to gather intelligence and assess the risks, the best insurance against such risks is a properly planned and mandated

mission, comprising well-trained, equipped and disciplined contingents that are not deployed in a void or where the political process is either non-existent or compromised for lesser interests.

Mr Chairman,

India has been one of the leading proponents of triangular cooperation among the troop contributing countries (TCCs), the Security Council and the Secretariat. This can be achieved through a better understanding of each other's concerns, the Council and the Secretariat, in particular, of the TCCs, which are best placed to convey an assessment of the ground situation, based on first-hand experience. TCCs must be involved early and fully in the planning of a peace-keeping mission: during its implementation stage, as its mandate is renewed, changed or terminated and when there is a rapid deterioration in the situation on ground, particularly when it threatens the safety and security of UN peacekeepers.

We call for a greater interface with the Security Council through the reactivation of the joint mechanism provided for in the note of 14 January, 2002 from the President of the Security Council. At the same time, we also call for an intensification of the dialogue between the TCCs and the Secretariat, to ensure that when the latter reports to the Security Council, it conveys to them what the Council needs to know and not what it wants to hear.

Mr Chairman,

India's contribution to UN peace-keeping is unique: we have contributed a total of over 70,000 troops, participated in 38 missions and have on 109 occasions, made the supreme sacrifice. For most of this period, we have headed the list of troop contributors and have participated in almost every UN peace-keeping mission, particularly in Africa.

We have a wealth of accumulated experience and an unswerving commitment. It is in this spirit that we participate in today's discussions to forge peace-keeping into a stronger and more effective tool in the maintenance of international peace and security.

Thank you, Mr Chairman.

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435. Explanation of Vote after the vote by Member of the Indian Delegation Ravi Prakash Verma MP on Agenda Item 68: L.37. The risk of non-proliferation in the Middle East.

New York, October 27, 2004.

Mr. Chairman,

India has abstained on the Resolution overall and voted against PP-6, as it believes that it was necessary to limit the focus of this Resolution to the region that it intends to address.

According to customary international law, as encapsulated in the 1969 Vienna Convention on the Law of Treaties, States adhere to treaties considered to be in consonance with their national interest based on their freely exercised sovereign choice.

The references to the Nuclear Non-Proliferation Treaty in this Resolution in the context of the call for universalization of the Treaty are at variance with this principle.

Notwithstanding its inability to support this Resolution, India hopes that the Resolution will enable progress on its principal focus in the coming years, through positive contributions from the concerned States of the region.

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436. Statement by Permanent Representative at the United Nations Nirupam Sen on "Women and Peace and Security" at the Security Council.

New York, October 28, 2004.

Mr. President,

We are pleased to see you chairing this meeting of the Security Council.

In an earlier intervention on women, peace and security, we had advised that the Council, in its examination of the issue, remain within the area of its mandate, namely the impact of conflict on women and the Council's role in its resolution. While we have been participating in the debates of the Council on this item, we continue to maintain that thematic issues, with a cross-cutting, multi-sectoral dimension requiring the active consideration of all Member States, are best discussed in a universal forum such as the General Assembly.

The report of the Secretary-General under consideration provides a comprehensive review of the progress achieved over the past four years in the implementation of Resolution 1325. The report shows that the initiative has led to some success in areas such as gender-mainstreaming in peace-keeping operations and training of peace-keepers on gender perspectives.

My country has been happy to contribute to this process. As one of the larger troop contributors to the United Nations, India has been conscious of the need to incorporate the essential elements of such a policy in the pre-deployment training that all its peace-keepers undergo before proceeding to mission areas. In response to the Secretary-General's concern, expressed in his report to the Special Committee on peace-keeping operations, about the low representation of women in peace-keeping operations, India has decided to deploy two women military observers to the United Nations Organisation Mission in the Democratic Republic of the Congo (MONUC).

The Secretary-General has pointed out in his report, however, that the protection and promotion of the human rights of women and girls in armed conflict continue to pose a pressing challenge. The real test of the adequacy of these efforts is, doubtless, their impact on the ground. The

post-Cold War era has been characterised by increasing intra-state conflicts, terrorist attacks, ethnic cleansing and egregious violations of human rights. All of these impact on the vulnerable sections of society, mainly women and children. The international community needs to mobilise itself to address these situations. We share the principles and objectives of the report. Our comments, therefore, are on certain matters of nuance and detail.

In our experience, some of the solutions offered by the Secretary-General, in particular, the greater participation of women in areas of conflict-prevention, peace negotiations and post-conflict reconstruction, are germane to the issue. Some solutions would need to emerge from the conflict-ridden societies themselves. Others are more longterm and structural. They involve, inter alia, the encouragement of democratic ideals and practices, freedom of speech and expression, effecting improvements in economic and social conditions, and expansion of opportunities for education and productive employment.

Mr. President,

It was not for nothing that the poet Nekrassov, writing of the horrors of war, said that the "most sacred tears are the mother's"; mothers' organisations in several cases have moderated conflict and their strength and energy need to be specifically harnessed. In his report, the Secretary-General has reflected upon several salient issues with regard to implementation of Resolution 1325. He recognises the need to prioritise the pro-active role women can play in peace-building and the need to enhance women's participation at the peace table. We are in full agreement with the Secretary-General's observation that without the inclusive participation of women, peace-building cannot be comprehensive.

We appreciate the Secretary-General's identification of some key challenges faced in this regard, including increasing the number of women in high level decision-making positions – in peace-keeping operations, in peace negotiations, and similar activities.

Addressing the issue of women's full participation in peace negotiations and peace-building is undoubtedly essential. However, attempts to artificially enhance the number of women in peace negotiations - especially in conflicts where societies are male-dominated - cannot necessarily guarantee enduring results. Equal participation has to be a

local initiative, and any external attempt at influencing the situation otherwise has to be incremental for it to have lasting effect.

We agree with the Secretary-General's view that it is important for the United Nations and its agencies to achieve a higher level of representation of women, quantitatively and at senior levels. It may also be useful for the Secretary-General to consider making adequate provision of resources for training of women from developing countries, in order to give this meaning. While making provision for regular budgetary resources specifically allocated for both gender-mainstreaming and initiatives targetted at women and girls, the need for specific allocation of resources for such training should be kept in mind.

Similarly, the question of bringing perpetrators of violence to justice merits careful consideration. We agree with the Secretary-General that the international community should send stronger signals to parties to conflict that gender-based violence will be investigated and perpetrators will be prosecuted. There should be zero tolerance for gender-based violence. However, external attempts at imposing justice can only lead to further strife, as we have heard repeatedly from countries that have emerged from conflict and are in the process of establishing rule-based systems. The international community needs to enhance cooperation for capacity-building in the areas of justice and the rule of law and in strengthening national justice systems to ensure that perpetrators of violence are brought to justice.

Like the Secretary-General, we too are convinced that sexual exploitation and sexual abuse are totally unacceptable forms of behaviour. We condemn such behaviour - whether by peace-keeping personnel or by humanitarian personnel – and believe that necessary measures providing protection against such exploitation and abuse must be undertaken.

There is need for the most stringent regulations in dealing with such cases going even beyond the Secretary-General's bulletin. In this context, we are cognisant of the fact that many Member States have regulations more far-reaching than those contained in the bulletin and that powerful, committed and result-oriented women's organisations in many countries have achieved significant results.

The Secretary-General has urged Member States and entities of the UN to establish a coordinated humanitarian response monitoring system

with specific indicators to determine attention to gender perspective at field level. He has also expressed his intention to set indicators and benchmarks for women's equal participation in all aspects of elections processes, based on a review of good practice. The development of indicators, benchmarks and guidelines is a sensitive and serious issue, which should involve a process of broader inter-governmental scrutiny and approval before their eventual adoption.

Thank you, Mr. President.

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437. Statement by Member of the Indian Delegation to the United Nations Samik Lahiri MP on Agenda Item 87: Globalization and interdependence in the Second Committee.

New Yrok, October 29, 2004.

Mr. Chairman,

We thank the Secretary-General for the reports on the agenda item: "globalisation and interdependence" under consideration today. We associate ourselves with the statement made by the distinguished representative of Qatar on behalf of the Group of 77 under this item.

Mr. Chairman,

Globalisation and interdependence have, no doubt, opened new opportunities for growth of world economy through enhanced efficiency in economies by opening up market opportunities and by promoting the transfer of information and skills. But globalisation has also brought new challenges and many developing countries are facing difficulties in responding to these challenges. As a result, disparities both within as well as among countries have been widening. Slow and unstable growth, weak commodity prices and instability in the international financial system have made it more difficult for many developing countries to reap the benefits of globalisation.

India believes that creation of an enabling environment that rewards

creativity and risk-taking and the spirit of enterprise would lead to increase in the rate of growth of capital formation in the economy thereby creating an environment conducive to realise our commitment to eradicate poverty. The Common Minimum Programme of the Government of India reiterates the country's commitment to economic reforms with human face that stimulates growth, investment and employment. It also stresses further reforms in agriculture, industry and services, oriented primarily to spreading and deepening rural prosperity, to bringing about visible and tangible improvements in the quality of life of the people.

In an increasingly globalising world, the regimes governing international trade, money, finance, technologies and development are critical determinants of development.

Not only do they establish the parameters and the 'rules of the game' for the flow of goods, services, technologies and people across borders, they also influence the actual flows in these areas. There has been, regrettably an erosion of the role of the United Nations over the year in shaping these regimes and providing political guidance to the process governing regimes. Its watchdog function in pursuing the development agenda has been whittled down. It is imperative that the ongoing efforts at the UN reform address this question of restoring the development dimension in the UN agenda and utilising fully its comparative advantage of the democratic and universal characteristics.

Mr. Chairman,

At UNCTAD XI held in Sao Paulo earlier this year, we agreed collectively that development should be at the centre of the international economic agenda and recognised that enhanced coherence between national development strategies on the one hand, and the international obligations and commitment on the other, would contribute to the creation of enabling economic environment for development. In order to enable the developing countries to reap the benefits from globalisation and to achieve the internationally agreed development goals, in our view, it is incumbent upon the international community as a whole to consider the issue of an appropriate balance between national policy space and international disciplines and commitments when deciding collectively on future disciplines and commitments and on the implementation and interpretation of existing ones.

In this context, we welcome the report of the World Commission on the Social Dimension on the Globalisation. We share the conclusions in the report, in particular on the need to undertake far-reaching reforms in the international economic and financial system in order to ensure policy space and flexibility for developing countries and gains in trade and investment. The Secretary-General has, in his report, pointed out that there is a need to promote an international dialogue on measures, which would provide developing countries with policy space. In our view, time has come to shift from normative debates to the implementation phase towards enhancing the voice and effective participation of developing countries in international economic decision-making and norm setting processes. We share the view that only such participation would help in making decisions more balanced and supportive of development goals.

One of the important tools for the developing countries in their efforts to deriving benefits from globalisation is access to technology. We feel that this area is as important as access to capital and other resources. Access to technology on concessional terms is crucial for the developing countries to enhance their competitiveness in the global market place. Mechanisms have not yet been developed for sharing technology on preferential, non-commercial and concessional terms with the developing countries. This issue needs to be addressed with a sense of urgency. It is also imperative that the question of unsustainable consumption and production patterns in the developed countries be addressed with a sense of urgency.

We share the views of the Secretary-General that continued efforts should be made to facilitate the access of developing countries to new information and communication technologies. India's national experience has demonstrated that information technology offers enormous potential for meeting the development challenges by adding value to nearly all sectors of national activity. This has been possible only because it reaches out to the masses with appropriate and usable local content. At the global level, the need of the hour is to address the challenge of the narrowing 'digital divide'. We hope that the second phase of World Summit of Information Society will address this important issue and make concrete recommendations for promoting the use of ICT, in particular the issue of effective and affordable access by developing countries to information and communication technologies.

Mr. Chairman,

The process of globalisation has seen an increased linkage between migration on the one hand and trade capacity, competitiveness and employment policy on the other.

With global firms operating in an international context, the gap between migration policy and trade policy can manifest itself in immigration controls, which act as non-tariff barriers. In our view, there can, in the context of the general agreement on trade in services, be a win-win situation with labour shortage in developed countries being matched by labour availability in developing countries. There, however, needs to be a greater level of receptivity among developed countries to the request made to them for enhanced market access in Mode 4. For developing countries such as India, the balance of gains in the negotiations will lie in the extent to which our service providers are able to provide services in overseas markets, either from remote locations or through the temporary movement of service personnel. For globalisation to be meaningful for the developing countries, the developed countries should demonstrate far greater openness than hitherto in allowing movement of natural persons across national frontiers; this would be in keeping with their own insistence for such freedom of movement in respect of capital, goods and services.

Mr. Chairman,

We reiterate that the United Nations is uniquely placed to address the challenges associated with globalisation. A fair globalisation is, undoubtedly, an effective tool for the developing countries in their efforts to achieve the Millennium Development Goals.

However, a fair globalisation cannot be achieved by leaving things to the internal dynamics of globalisation alone which do not, as we have seen, work in the direction of fairness at all. The movement of capital and trade liberalisation involve high interest rates, low tax-GDP ratios and low or zero import duties. All these reduce or eliminate the fiscal manoeuvrability of developing countries and their capacity to undertake social expenditure including on health and education. Totally unequal bargaining power leads to intellectual property rights and trade regimes that are adverse. Therefore, fair globalisation requires political will and this can only be manifested multilaterally through the United Nations. An inexorable logic, therefore,

demands a thorough going reform of the UN and the restoration of its role in setting the international economic agenda. The 2005 high-level event, in our view, will provide an opportunity to review the progress made in our resolve to make globalisation a positive force for all, as agreed, at the Millennium Summit. In this context, we would like to suggest that the Secretary-General include, in his report for the 2005 event, specific recommendations with regard to globalisation for an in-depth consideration.

Thank you, Mr. Chairman.

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438. Statement by Minister of State Rao Inderjit Singh on Agenda Item 14: Report of IAEA at the General Assembly.

New York, November 1, 2004.

Mr. President,

We congratulate the International Atomic energy Agency (IAEA) for the excellent role it has been playing in promoting the use of nuclear energy for peaceful purposes and, in the process, ensuring that it is safe and secure. India has always been working very closely with the IAEA as a partner in development.

This year marks the Golden Jubilee of the establishment of the Department of Atomic Energy of India. During the fifty years that have gone by, India's atomic energy programme has come of age. The self-reliant research & development activities undertaken by the scientists of the Department of Atomic Energy, have led to robust industrial operations in Heavy Water Power Reactor technology and associated Fuel Cycle, Heavy Water, and Electronics & Instrumentation, which have all demonstrated commercial excellence in their performance. We are now well-poised to translate our R&D attainments into commercial industrial activities related to Fast Power Reactors, and Thorium reactors as we continue to work for rapid expansion of nuclear power capacity based on thermal reactors. This step is in tune with our long-standing three-stage nuclear power programme, designed to meet the emerging large-scale electricity requirements of the country, through the use of our modest uranium and vast thorium resources.

Mr. President,

The Prime Minister of India recently launched the construction of the first 500 MWe [Mega Watt electrical] nuclear power plant based on Fast Breeder Reactor in India at Kalpakkam. I recall the following points that our Prime Minister made on the occasion:

> "Energy security is an issue of vital importance, particularly in the context of the accelerating pace of our economic growth. If we succeed in instituting an optimal mix of energy resources in which nuclear energy is an important component, we will be able to ensure our energy security. India's low per capita energy consumption currently cannot for long go hand in hand with our quest for an accelerated pace of economic growth.
>
> Energy Security is therefore a national imperative. We must break the constraining limits of power shortages, which retard our development. Nuclear energy is not only cost effective, it is also a cleaner alternative to fossil fuels. We are determined as a nation to utilize its full potential for the national good. It can also be a much needed cushion against fluctuations in the prices of petroleum products."

Given the huge demand for energy in a fast-developing economy like India, it has been our endeavour to develop comprehensive capabilities in the entire range of the nuclear fuel cycle, backed up by R&D, industrial and safety infrastructure. India today is among the leading group of countries which can reutilise the spent fuel for production of power. This is essential to ensure sustained availability of nuclear power.

Mr. President,

India has made significant strides in developing new technologies through indigenous R&D. The unique mixed Plutonium-Uranium carbide fuel in Fast Breeder Test Reactor [FBTR] has had a remarkable performance record. With the successful reprocessing of spent fuel from FBTR, the Fuel cycle for this reactor has been closed.

Work on a 300 MWe Advanced Heavy Water Reactor (AHWR), a Technology demonstration for Thorium Utilisation including several important

developments in the thorium fuel cycle, is progressing well. The work on a Compact High Temperature Reactor is continuing.

India is working on the construction of the Steady-State Super-conducting Tokamak, designed to be the first 1000-second Steady-State Tokamak. This can be used for a number of Physics investigations of relevance to ITER, which is an unprecedented international collaboration on the next major step for the development of fusion.

Mr. President,

India is a responsible nuclear power. We have developed our capability in this area in a self-reliant manner and are fully conscious of the immense responsibilities that come with the possession of such advanced capabilities. We remain committed, at the same time, to the objectives of non-proliferation. Therefore, as we continue to utilise our indigenous resources and capabilities to fulfil our national interests, we are doing so in a way which meets the requirements of those objectives. On the other hand, efforts to prevent proliferation should not impose undue restrictions on the development and utilisation of nuclear energy.

We believe that it is incumbent upon all those who have a stake in the future of nuclear energy, to work, in a constructive and cooperative manner, towards evolving more effective measures that would check proliferation without constraining in any way the peaceful uses of nuclear energy. Subject to this consideration, India is willing to be a partner in this effort and shoulder the obligations flowing from it.

India's nuclear energy programme is operated under the highest standards of safety and environment. Safety operations through the entire nuclear fuel cycle, from prospecting and mining of ores to management of waste, encompass all the aspects of safety, including the radiological, industrial, occupational, fire and environmental spheres. An independent body, the Atomic Energy Regulatory Body (AERB), monitors safety in conformity with standards recommended by the IAEA and the International Commission on Radiological Protection (ICRP). Our indigenous reactors have multi-layered safety features. The safety record of our reactors is amongst the best in the world.

Mr. President,

The role of the International Atomic Energy Agency in promoting several developmental programmes for the betterment of humankind by using nuclear technologies is unique and must be encouraged and expanded. The Agency should, however, continue to operate within its technical expertise in a transparent manner. It should not be utilised for political ends or objectives beyond its original purpose, which is that of promoting safe, secure and peaceful nuclear technologies.

India has been an active supporter of IAEA programmes related to nuclear power, especially innovative nuclear reactor and fuel cycles (INPRO). We have also been active partners in programmes related to safety and security of radioactive sources, managing Nuclear Knowledge, including knowledge-preservation, knowledge- dissemination, strengthening of education and training for capacity- building through networking. Several IAEA meetings, training programmes for IAEA Fellows and scientific visits continue to take place in India. Our scientists have participated in a large number of IAEA expert assignments and coordinated Research Projects.

Mr. President,

We re-emphasise that IAEA is a unique, multi-disciplinary, science-and-technology organisation in the entire United Nations system and merits the unstinting support of the international community.

Thank you, Mr. President.

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439. Statement by Member of the Indian Delegation to the United Nations Bikram Kesari Deo, MP, on the Agenda Item 144: "Report of the International Law Commission on the work of its fifty-sixth Session (Chapter IV: Diplomatic Protection, Chapter VII: Liability for Injurious Consequences Arising out of the Acts not Prohibited by International Law)" in the Sixth Committee.

New York, November 2, 2004.

Mr. Chairman,

We thank the Chairman of the International Law Commission, Mr. Teodor Viorel Melescanu, for his lucid introduction of Chapters I to IV, VII and XI of the report of the Law Commission at its 56 th session.

Mr. Chairman,

We commend the Special Rapporteur, Prof. John Dugard, for his thorough and scholarly work on Diplomatic Protection. We have read with interest the set of 19 draft articles on diplomatic protection, adopted by the Commission on the first reading during its 56 th session. These articles represent a significant advancement in the development of international law, as they cover the entire gamut of the institution of diplomatic protection, which has undergone vast changes over the years.

Mr. Chairman,

A State's entitlement, and obligation, to protect its subjects when injured by acts committed by another State contrary to international law, from whom they have been unable to obtain satisfaction through normal channels in that State, has been recognised as one of the elementary principles of international law. This right is exercised with discretion, as each State is free to accept or refuse to exercise diplomatic protection as it sees fit.

In our view, diplomatic protection should serve the interest of the nationals as far as possible, and the concerns of individuals involved should not be stretched beyond the point where it becomes obligatory for the State of nationality to espouse the claims involved, ignoring political or other sensitivities of the State of nationality. In this connection, we have been

making it clear in our earlier statements that extending diplomatic protection to stateless persons and refugees is undesirable at this moment. The present draft does not seem to have changed the scope of the project. Article 8 of the present draft envisages diplomatic protection for stateless persons and refugees. In our view, such an extension of diplomatic protection is highly susceptible to wider interpretation by the State of habitual residence of the stateless person as the phrase “lawfully and habitually resident” appearing in article 8 (1) refers only to the national law, not an international standard. Article 8(2) which entitles a State to exercise diplomatic protection in respect of a person recognised as a refugee, also raises concerns. This provision departs from the traditional rule that only nationals may benefit from the exercise of diplomatic protection. In addition to this, the term “refugee” in paragraph (2) is not limited to its definition in the 1951 Convention.

According to the commentary, the term is intended to cover refugees recognised by certain regional instruments as well. My delegation has difficulty in accepting any definition of refugee which deviates from the universally accepted definition, irrespective of the purpose sought to be achieved by the introduction of a new definition.

We have taken note of the Commission’s invitation to Governments for comments and observations. We shall certainly make use of this opportunity to offer our detailed comments on the entirety of the draft articles.

Mr. Chairman,

We congratulate Dr. P. Sreenivasa Rao, the Special Rapporteur, for formulating a text of draft principles on the subject of the allocation of loss in the case of trans-boundary harm arising out of hazardous activities, adopted by the Commission on the first reading during its 56 th session. His report on allocation of loss provides an in-depth analysis of the need for the protection of interest of the innocent victims of trans-boundary harm caused by hazardous activities. In our view, the scope of the topic and the triggering mechanism should be the same as that of prevention of trans-boundary harm. We believe that in a scheme covering either liability or a regime of allocation of loss, the primary liability should be that of the operator, as that person is in command and control of the activity and has a duty to redress the harm caused. The draft has achieved a significant breakthrough by suggesting a scheme which is not only general, but also flexible, without any prejudice to the claims that might arise and the applicable law and procedures. The flexibility is further strengthened by the Rapporteur’s

attempt to cast principles than stipulating rules. We believe that some of the draft principles have gained only sectoral acceptance and have not found acceptance in general state practice. This renders the major portion of the draft principles to be in the nature of progressive development of international law. Nonetheless, my delegation is concerned about the enlarged scope of the draft text, which seeks to incorporate some elements, in the definition of damage, such as Principle 2 which defines the term "damage" as including significant loss caused to the environment and Principle 2(a) (iii) which refers to loss or damage by impairment of environment as an element of damage, which are unsupported by a wider state practice.

The commentaries to draft principles indicate that trans-boundary damage caused to environment per se could be the subject matter of compensation. This idea, in our view, is not supported by sufficient state practice from which general principles can be derived. Moreover, the environmental losses referred to in Principle 2(a) (iii) cannot easily be quantified in monetary terms, besides causing difficulties in establishing locus standi or standing for the claim of damage to environment per se. For these reasons, this element of damage needs a suitable modification.

Mr. Chairman,

The need for the transfer of technology and capacity-building in the developing countries has been well recognised in international instruments. Several international multilateral legal instruments also recognise the application of differential standards to developing countries from those accepted by the developed countries, in matters of environmental protection. This balancing factor, we believe, promotes the right to development as an element of sustainable development. The general commentaries to the draft principles underscore the importance of this view as they acknowledge that the choices and approaches for the draft principles and their implementation may also be influenced by different stages of economic development of the countries concerned. Therefore, we welcome the draft principles and we hope that the provisions that are detrimental to the interests of the developing countries could get proper consideration in the Commission paving way for the wider acceptability of the draft principles.

Thank you, Mr. Chairman.

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440. Statement by Member of the Indian Delegation to United Nations Vayalar Ravi MP on Agenda Item 90: "Operational activities for development: (a) Operational activities for development of he United Nations System; (b) Triennial comprehensive policy review of operational activities for development of the United Nations system" at the Second Committee.

New York, November 4, 2004.

Mr. Chairman,

My delegation welcomes this opportunity to participate in the discussions on the operational activities and the Triennial Comprehensive Policy Review of operational activities for development of the United Nations system. We thank the Secretary-General for the comprehensive documentation prepared under the agenda item. We associate ourselves with the statement made by the distinguished Permanent Representative of Qatar on behalf of the Group of 77.

Mr. Chairman,

The Triennial Comprehensive Policy Review process, during this session, enables Member States to take stock of the functioning of the operational activities of the UN and to make recommendations for future direction based on current context and conditions for the design and delivery of UN operational activities for development in the long-term perspective. The review assumes an added significance this year as the recommendations we make would build up to the Major Event in 2005 for reviewing the progress made and the prospects for the achievement of the MDGs.

Financing of the UN development system and the measures for ensuring stability, predictability and continuity in the flow of core resources merit our attention. Given the new tasks and challenges and the goals and targets of the MDGs, the comprehensive review needs to take a close look at the gamut of issues involved in financing the work of the UN development system. In this context, the increasing imbalance between "core" and "non-core" contributions to UN agencies and the proliferation of earmarked resources is a matter of concern to us. To take an example, core resources

comprise only 43% of UNICEF's overall resources. While the core resources of UNICEF showed an overall increase of 30% between 2000 and 2003, much of this increase was due to increase in private sector contributions. Government contributions to core resources increased by only 17% during this period. The other resources, on the other hand, grew by 60% during the same period, while other emergency resources grew by over 120%. The need for funding humanitarian emergencies is undeniable and the principle unexceptionable. India supports, and within its limitations, provides humanitarian assistance to those in need. However, the Funds and Programmes of the UN development system can fulfil their respective missions and mandates and assist developing countries in their efforts for achieving their long-term development goals and targets only if the former are provided with adequate, stable and predictable contributions to their core resources.

We agree with the Secretary-General that the new and additional demands placed by peace-building and conflict prevention, as well as humanitarian and other emergencies, should not be met at the expense of development cooperation activities. The diversion of the Funds and Programmes from their original mandates, often with their excessive focus on soft areas of development, and the diversion of their precious resources from developmental activities to humanitarian and other emergency assistance and other areas, are matters of serious concern.

The Secretary-General is also right in pointing out that adequate investment in development interventions can prevent huge expenses for peacekeeping operations in the future. We would, therefore, like to add our voice to those calling upon developed countries to take concrete steps towards reaching the agreed target of providing ODA at the level of 0.7% of GNP at the earliest.

Mr. Chairman,

The last comprehensive review devoted considerable energy of the UN system to the reform process. The Funds and Programmes of the UN development system have spent considerable energy and resources on implementing these recommendations. The benefits of these reforms have not always been as anticipated. Difficulties in adapting to new tools and processes have been cited in the recent past and the process of such adaptations has often proven to be time-consuming. The process of

simplification did add an additional burden for the governments and the UN system while the impact of the Common Country Assessment and the UN Development Assistance Framework processes on the system's cost-effectiveness appears to be difficult to assess, even as these processes have created additional workload for their preparation. It is necessary to ensure that the processes involved in the preparation of UNDAF do not become overly complex, rigid or time-consuming.

It would be useful to divert the excessive focus on procedures and processes that has unfortunately come to characterise our approach, in a more productive direction. Our long journey of institutional structuring and restructuring often appears to overlook the basic objective to create a procedurally sound and efficient system. We cannot afford to lose sight of our ultimate objective of sustainable development and eradication of poverty, particularly as we come closer to the deadlines agreed to for achieving the objectives and targets of the Millennium Development Goals.

In this context, we particularly emphasise the need for national capacity-building and the sustainability of such efforts. We agree with the Secretary-General's recommendation on the need to adopt measures that ensure sustainability in capacity-building activities, including further development of national execution modalities, where required, so as to maximise support to national capacity development.

In the context of enhancing capacity for national execution, a brief reference to UN-Office for Project Services is called for. We all would do well to recall the circumstances in which UN-OPS was established as a separate entity almost a decade ago. It might be useful to seek an evaluation of the performance of UN-OPS over the past decade in relation to its objectives and mandate and its cost-structure, particularly with regard to the extent to which it has helped developing countries in enhancing their capacity for national execution. Such a review could also look at whether the interests of the developing countries would be better served if the UN-OPS were to be reintegrated with UNDP and subjected to its financial rules and disciplines. As we contemplate further measures in institutional reform in the Un system in the run-up to the 2005 Major Event, we should also take a close look at the development system and examine possible ways of improving efficiency and effectiveness.

The significance of South-South Cooperation cannot be emphasised

enough. The development experiences of countries that are in various stages of development are closer to each other and countries of the South can benefit tremendously from exchanges of such experiences and best practices.

Contributions of the developed countries through resources for replication of successful experiences or experiments from one developing country to another, as also technological know-how, can only add a positive dimension to South-South Cooperation. Bodies of the UN development system could, therefore, make a positive contribution by mainstreaming, in their programmes and through their country-level activities and country offices, modalities to support South-South Cooperation.

The process of replicating lessons learnt, even though these may be the "best practices" from another developing country, needs careful and sensitive handling. Even in terms of "best practices", there is no "one-size-fits-all". It is important to understand and absorb the socio-cultural, traditional and historical sensitivities involved. The process poses challenges to development agencies as they attempt to promote "best practices" and their replication.

Here again, the close involvement of the recipient country would be extremely important.

Mr. Chairman,

We have consistently held that coordination of external assistance should be undertaken only by the recipient government. The exercise of coordination by the UN should be confined to assistance through the UN system. Field-level coordination is one of the most significant challenges to the effectiveness of the UN development cooperation. Field-level coordination should be carried out by national authorities. This would ensure that the organizations of the UN system are contributing in a coherent manner to national development plans and priorities.

The fundamental criterion that must guide us in our reflections is that of improving the effectiveness of the UN's development work. If further coordination amongst UN agencies in the field or harmonisation of their plans with national budgetary cycles of the recipient countries improves the ability of the UN system to deliver better, these should be welcomed. Savings made by improved field-level coordination, harmonisation or pooling

or sharing of resources can be considered useful if they provide additional resources for the UN's developmental activities. These measures cannot be supported where they either bring in elements of conditionality or add additional burden on the recipient countries. Before we look at other procedures for institutional reform, therefore, it would be useful to make a cost-benefit analysis of the reforms that have already been carried out.

It is an acknowledged sovereign right of every country to decide to accede to any particular international Convention or Treaty. Similarly, policy formulation is the responsibility of the recipient country and best left to respective national governments. It would, therefore, also be useful to have an analysis, separately for each Fund, Programme or Agency, of the proportion of funds spent for the so-called advocacy, awareness-generation and sensitisation activities in tandem with resources spent for actual programmes and projects which contribute towards capacity-building or in making a real difference to the lives of the poor.

Mr. Chairman,

We cannot reflect on the operational activities of the UN system without recalling their distinctive characteristics of objectivity, neutrality and impartiality. It is important to uphold these characteristics in the interest of the credibility of the system.

As we take a comprehensive view of the operational activities of the UN development system, it is also necessary once again to reiterate the importance of the principles of the country-driven programming, national leadership and ownership. It is important for the UN system to be able to respond with flexibility and in conformity with national plans and priorities. It is also important for the UN system to develop its processes on how to interface the national priorities and needs with the overall global agenda.

Notwithstanding the global agenda that may give overall directions to the system's activities, it would be useful to remember that the needs of the country can best be understood and articulated by the recipient country itself.

Thank you, Mr. Chairman.

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441. Statement by Member of the Indian Delegation to the United Nations Anat G. Geete MP on Agenda Item 108: Strengthened and Unified Security Management System in the Fifth Commite.

New York, November 4, 2004.

Mr. Chairman,

We thank the Secretary-General for the introduction of his reports on Strengthened and Unified Security Management System for the United Nations. His remarks were a moving expression of commitment for the safety and security of the United Nations that we all share. We also thank the Chairman of the Advisory Committee on Administrative and Budgetary Questions [ACABQ] and the Under-Secretary-General for the Office of the Internal Oversight Services for the introduction of their respective reports. My delegation aligns itself with the statement made by the distinguished delegate of Qatar on behalf of the Group of 77.

Mr. Chairman,

The Secretary-General observes in his report (A/58/365) that 'for the first half-century of its existence, the United Nations felt protected by its flag and the perception that it was a neutral, benevolent actor in world events'. We would be making the greatest contribution to the safety and security of the UN if we could arrive at an honest, self-critical assessment on ways of restoring and safeguarding the perception of the UN as a 'neutral, benevolent actor'.

As we examine the proposals of the Secretary-General, we should not delude ourselves that money and posts alone can buy security for the UN. As amply demonstrated by the horrific incident in Baghdad in August 2003, and also pointed out by the Independent Panel enquiring into that incident, it was non-adherence to the basic security regulations and directives of the UN already in force at that time which resulted in the colossal loss of life and injuries to UN staff. The two cardinal principles in addressing questions relating to safety and security of the UN should be, in our view, the strict adherence to basic security regulations and directives, and the strict enforcement of accountability.

My delegation, therefore, places the utmost importance on the

management aspects of ensuring safety and security of UN staff and premises. The Secretary-General observes in paragraph 30 of his report [A/59/365] that the Secretariat, at the present time, "does not possess the capability to conduct security threat and risk assessments and timely and comprehensive follow-on planning on either a global or country-level basis". The Advisory Committee is, therefore, right to point out the absence of a statement of underlying assumptions describing the nature of the threat and the basic principles relied upon by the UN to develop the response presented by the proposals in the report of the Secretary-General. The Advisory Committee has further pointed out that the absence of such a basic framework, and the fact that the proposed security management system has been formulated on a piecemeal basis, have made consideration of the Secretary-General's proposals more difficult. The Advisory Committee has thus admitted that it has not been able to examine the proposals with the rigor that it would normally apply.

The Secretary-General had, in his report A/58/756, outlined the need for a 'unified security management system both at headquarters locations and in the field'. It had been indeed our expectation that this would be proposed in the present session.

However, like the Advisory Committee, we too are concerned that the proposed security structure is far from being the unified and integrated structure that it is made out to be.

The potential for duplication and resultant dangerous confusion continues. Security in peace-keeping missions will be handled by a separate unit of the proposed Directorate of Security located in the Department of Peace-Keeping Operations, at the same time, the Specialised Agencies and the UN Funds and Programmes will continue to operate, recruit and maintain their own security personnel. The proposed Directorate of Security would not be responsible for security at headquarters locations of the Specialised Agencies. The resource requirements being proposed would be in addition to the provisions that have been or will be proposed by individual UN Funds, Programmes and Specialised Agencies through their executive boards relating to their safety and security structures. We are, therefore, left wondering as to the degree of unification, if any, that has taken place and would seek clarifications on this issue in the informal discussions.

Mr. Chairman,

In the absence of genuine integration of security management, we do not believe that upward classification of posts dealing with security management will improve safety and security. Nor do we believe that additional management tiers will enhance security. Duplication of existing functional departments such as the Office of Human Resources Management, the Budget Office and the Procurement Division within the proposed new Directorate of Security is also unlikely to make the UN staff and premises safer.

We had been informed in our last session that the most pressing need was for security personnel in field locations. However, out of the 778 posts sought to be created, nearly 400 new posts are proposed for Headquarters and the seven other main offices, with over 200 posts being proposed for New York, Geneva and Vienna alone. On the other hand, no new resources are proposed for peace-keeping operations on the grounds that their main requirements have been addressed substantially in the Phase-I report. Since then, new peace-keeping operations have been launched and existing operations have been enlarged. We would look forward to receiving information on how these needs are sought to be addressed.

The Advisory Committee has observed that existing host country agreements do not always address or reflect current security challenges and the current security environment. Many of these agreements have not been reviewed or updated since they were drawn up as early as 1946 and, in any case, they do not specify the exact commitments made by the host country with regard to the safety and security of the United Nations personnel and premises. In many cases, these are not even embodied in legally binding documents. The Secretary-General's report [A/59/365] recognises that the primary responsibility for the security and protection of staff members, their families and property rests with the host government. Yet, we do not find any mention in the report of what the Secretariat proposes to do to ensure that this primary responsibility is realised.

Mr. Chairman,

On the issue of cost-sharing, my delegation strongly supports the recommendation of the Advisory Committee to retain existing cost-sharing

arrangements related to safety and security. The problems cited by the Secretariat as justification for the proposal to do away with cost-sharing can be overcome through better inter-agency coordination and cooperation. Only with the retention of cost-sharing can there be a sense of common ownership of, and movement towards a truly unified security structure. In its absence, the tendency of individual agencies to perpetuate their own security structures would only increase.

Mr. Chairman,

Without prejudice to what this Committee might approve, the financial implications of the proposals of the Secretary General are at least of the order of US$ 300 million over each of the coming two biennia. This is nearly ten percent of the entire regular budget of the UN. Given the magnitude of resources of a continuing nature that have been sought and given the system-wide nature of the appropriations, we could consider establishing a separate account for the financing of requirements for safety and security. This would enable the General Assembly to better monitor appropriations and payment of assessed contributions spread over many sections of the Budget relating to safety and security.

Mr. Chairman,

The Secretary-General had mentioned that the proposals have the support of staff organisations. The President of the Coordinating Committee of the International Staff Unions and Associations (CCISUA), in her statement to this Committee on October 28, levelled serious criticism at the proposals and stated that the review and proposed restructuring of security management system was undertaken without any consultation with staff representatives. It would be very unfortunate, Mr. Chairman, if the very staff who are to be safeguarded by the system do not have faith and confidence in it. This can only adversely affect program-delivery in areas where this Organisation's need is most acutely felt.

My delegation looks forward to discussing these and other issues at informal consultations on this agenda item.

Thank you, Mr. Chairman.

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442. Statement by Member of the Indian Delegation to the United Nations Satish Misra MP on Agenda Item 103 (A): "Elimination of Racism and Racial Discrimination, Agenda Item 103 (B): "Comprehensive Implementation of and follow-up to the Durban Declaration and Programme of Action, Agenda Item 104: "Right of Peoples to Self-determination" in the Third Committee.

New York, November 8, 2004.

Mr. Chairman,

We thank the Secretary General for his reports under the agenda items 103 and 104, on "Elimination of racism and racial discrimination" and "Right of peoples to self-determination" respectively. We also thank the relevant Special Rapporteurs for their presentations to this Committee. My delegation associates itself with the statement made by the distinguished representative of Qatar in his capacity as the Chairman of the Group of 77 under the Agenda Item 103.

Mr. Chairman,

The report of the Secretary-General on global efforts for the total elimination of racism, racial discrimination, xenophobia and related intolerance focusses on activities undertaken by States, the Office of the United Nations High Commissioner for Human Rights, other United Nations bodies, Specialised Agencies, international and regional organisations, national human rights institutions as well as non-governmental organisations in the comprehensive implementation of, and the follow-up to, the Durban Declaration and Programme of Action adopted by the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance. The report concludes that despite increasing involvement by different actors in the implementation of the recommendations of the World Conference, further determined efforts are required to combat the frequent manifestations of racial discrimination and xenophobia.

Mr. Chairman,

The study on political platforms which promote or incite racial discrimination submitted pursuant to the General Assembly resolution A/

58/159 makes several observations and recommendations worthy of our study and further careful consideration. The study shows that racism, racial discrimination, xenophobia and related intolerance have been on the increase in many parts of the developed world. New targets of discrimination such as immigrants, refugees and non-nationals have been added to the traditional victims of these scourges. The study also points out to the grave danger posed to the democratic systems in Europe and elsewhere by the influence of the extreme right ideologies on traditionally democratic parties. The atmosphere overlaid by the war on terrorism in the post-September 11 era has created a new dynamic by tending to consider traditional victims of racial discrimination as 'terrorist-breeding' groups. The study calls on States to exercise greater control over racist and xenophobic statements by political parties or other ideological movements, and cautions against allowing pleas based on freedom of expression for justifying incitements and intimidations of this kind. Laws should be enacted by the governments concerned to prohibit any party or movement from promoting racist and xenophobic ideas. The study also calls for prohibiting Internet sites with racist content and introducing monitoring procedures to this effect.

The study on political platforms makes recommendations for dealing with the problem in the long term by instituting an early earning system and preventive mechanism by a systematic effort. This would involve collection of information and data, documentation of incidents, movements and propaganda materials. Autonomous institutions will monitor instances of violence, discrimination and unfair treatment.

Mr. Chairman,

The interim report by the Special Rapporteur, presented in response to General Assembly resolution A/58/160, on contemporary forms of racism, racial discrimination, xenophobia and related intolerance makes a number of observations and recommendations which deserve further study. The Special Rapporteur mentions at one point that the current international climate is not conducive to efforts to combat racism and racial discrimination owing to the excessive focus on the fight against terrorism. He adds that the current climate has resulted not only in the marginalisation of efforts to combat discrimination but also the appearance of new forms of discrimination. He asserts that the international commitment to combating racial discrimination has been eroded by the priority accorded by the

international community to counter-terrorism.

We would underscore, in this context, the imperative of not allowing the fight against terrorism to overshadow the combat against all forms of racism and racial discrimination.

The report highlights yet another consequence of the war against terrorism: the scope of discrimination itself has grown more complex as race, or ethnicity, is conflated with religion and culture. It also shows how the 'new ideological landscape' has led to an alarming decline in the political and ethical determination and commitment to combat racism and racial discrimination.

The Special Rapporteur draws our attention in the interim report to the alarming rise in the number of Internet sites and hate-mails used for widespread dissemination of material by racist and xenophobic organisations. We agree with the recommendation to give consideration to elaborating an additional protocol to the International Convention on the Elimination of All forms of Racial Discrimination, for legal measures to combat the use of the Internet for racist or xenophobic purposes. Freedom of expression cannot be allowed to be used as an excuse for opposing regulations towards this end. The Durban Programme of Action had recommended that States should encourage media to adopt self-regulatory measures to enable them to combat the use of Internet for racist ends and that they should apply legal sanctions against any incitement to racial hatred.

We also agree with the recommendation calling on the General Assembly to focus its attention on the contemporary forms of racial discrimination which affect, in particular, immigrants, refugees and non-citizens and make them particularly vulnerable.

Mr. Chairman,

The recrudescence of racism and xenophobia in different parts of the developed world has been a disturbing phenomenon. The process of globalisation which has led to greater income inequalities, increase in unemployment and wider regional disparities has exacerbated racist, xenophobic and separatist tendencies. The discourse on the so-called 'multiple discrimination' should not be allowed to dilute the commitment and determination necessary to combat racial discrimination and

intolerance. The careful nurturing of multi-cultural, democratic and pluralistic traditions; inculcation of tolerance and respect for diversity; and implementation of appropriate educational and legislative strategies would perhaps provide the surest guarantee against racial prejudice and discrimination and xenophobia.

Mr. Chairman,

India had played a leading role in the historic struggle for decolonisation, and was at the forefront of the movement to secure the rights of peoples to self-determination so that those under alien subjugation, domination and exploitation could freely determine their own political status and pursue their economic, social and cultural development.

Self-determination has been recognised for long as the right of peoples of non-self governing colonies and trust territories to independence and self-government. Once exercised, the right of self-determination enables a whole people to freely choose their own form of Government and for all segments of society to collectively participate in national decision-making through representative, democratic institutions.

It is fundamental principle of law that with freedom, comes responsibility. No right, including right to self-determination, may be used as an instrument to promote subversion and erode the political cohesion or territorial integrity of Member States of the UN. The right to selfdetermination cannot be abused to encourage secession and undermine pluralistic and democratic states. Ethnic or religious segregation and chauvinism cannot be legitimised on the specious ground that societies need to be constituted on homogenous lines before they can be tolerant towards diversity and accept multi-culturalism. Such a view will only result in legitimising forces of extreme nationalism and narrow chauvinism. Furthermore, the right of selfdetermination cannot be invoked as a smoke screen for opportunistic attempts at territorial aggrandisement through terrorism and violence.

Thank you, Mr. Chairman.

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443. Statement by Member of the Indian Delegation to the United Nations Bikram Kesari Deo MP on Agenda Item 44: Report of the International Law Commission on the Work of its 56th session (Responsibility of International Organizations, Shared Natural Resources and Fragmentation of International Law) in the 6th Committee.

New York, November 9, 2004.

Mr. Chairman,

We welcome this opportunity to participate in the continuation of the debate on the report of the International Law Commission and to offer our comments on the topics of Responsibility of International organisations, Shared Natural Resources and Fragmentation of international law.

Mr. Chairman,

We would like to express our appreciation to Special Rapporteur Professor Gaja and other members of the International Law Commission for the progress made this year on work of the Commission on the topic of the Responsibility of International organisations.

We recognise the enormous complexity surrounding the question of responsibility of international organisations. Unlike States which share certain basic qualities, international organisations vary considerably in their structure, functions and competences. This diversity makes it difficult to develop and apply any set of common norms, articles or rules that would cover the multifarious and diverse entities under the term "international organisation". For example, we can perceive limitations on the extent to which it would be appropriate to draw analogies with regard to attribution and responsibility applicable to States in order to develop and articulate principles applicable to international organisations. We would like to sound a note of caution in advising the Commission that it should avoid developing rules for international organisations that mirror the rules set out with respect to States in the draft articles on State responsibility.

In draft article 5, the Commission proposes that where agents or organs of States or other international organisations are placed at the

disposal of an international organisation, their conduct can be attributed to the latter organisation on the basis of "effective control" it exercises over the conduct. The commentary to draft article 5 suggests that the test of "effective control" envisaged in this draft article is largely based on practice relating to peace-keeping forces. It is not clear whether the test of "effective control" would be adequate to deal with all situations where article 5 would be applicable.

Mr. Chairman,

On the topic of Shared Natural Resources, we thank Prof. Chusei Yamada, the Special Rapporteur, for his second report containing draft articles for part I, on introduction and part II on General Principles. The topic is a complex one. We have to learn much more about tans-boundary aquifers in general, and be cognisant of the wide variation in specific aquifer conditions and State practice. India has consistently maintained that context-specific agreements and arrangements are the best way to address questions relating to trans-boundary ground-waters or aquifer systems. This will also enable the States concerned to take appropriate account of the various relevant factors in any specific negotiation. On the question of the final form, we would echo the views of those delegations that have supported a form that gives States appropriate flexibility to tailor agreements or arrangements to suite individual circumstances. In other words, we would support adoption of guidelines that could be used for negotiation of bilateral or regional arrangements. Here, we would like to recall the situation with regard to the 1997 Convention on the law of non-navigational uses of trans-boundary watercourses which failed to garner broad support or to have a significant impact on State practice, with the result that the Convention is yet to enter into force.

My delegation agrees with the Special Rapporteur on the use of the term "trans-boundary ground-waters" or ""trans-boundary aquifer systems" instead of "confined trans-boundary waters". We also agree that it would be inappropriate to apply the principle of "equitable use" embodied in the 1997 Convention on non-navigable uses of water-courses for the purpose of building a regime on ground water. In our view, the principle of "reasonable utilisation", yet another principle embodied in the 1997 Convention, may not be helpful even though it could be interpreted to mean "sustainable use". In any event, many Member States are not Parties to the Convention

on non-navigable uses of water-courses and, therefore, would find it difficult to go along with use of concepts used in that instrument.

Mr. Chairman,

The fragmentation of international law is one of the realities of present day international relations. The conflict that arises when a special law deviates from the general law, and the differences between and within specialised fields of law have been the subject matter of study.

The topic at hand is still at a formative stage. The Study Group under the Chairmanship of Professor Martii Koskenniemi has produced during the last May Session of the International Law Commission, a non-exhaustive list of four broad areas where fragmentation occurs. The topics of lex specialis and self-contained regimes dealt with in the work of the Chair of the Study Group highlight some of the difficulties and complexities in this area.

The Study Group has focussed on three self-contained areas of functional specialisation, including human rights and humanitarian law, international trade law and international environmental law. The relationship between treaties relating to these fields can give rise to any number of studies. Another area worthy of further study is the progressive regionalisation of international law in these three identified areas in recent years as one of the developments causing fragmentation. We look forward to further work by the Study group in this respect.

We believe that the study on fragmentation should ensure the strengthening of a stable international legal system. In our view, problems and conflicts of fragmentation should serve to enhance the effectiveness of international law. The main focus of the study, in our view, should be on the substantive aspects rather than institutional facets of fragmentation. Towards this end, the study should capture State practice and jurisprudence developed by national and international judicial bodies. We look forward to the evolution of the work in this area in the future.

Thank you, Mr. Chairman.

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444. Statement by Member of the Indian Delegation to the United Nations Rashid Alvi MP on Agenda Item 100: Report of the United Nations High Commissioner for Refugees: Question relating to Refugees, Returnees and Displaced Persons and Humanitarian Question in the 3rd Committee.

New York, November 10, 2004.

Mr. Chairman,

We thank the Secretary-General for his reports under this agenda item. We also thank the High Commissioner for Refugees, Mr. Ruud Lubbers, for his introductory statement and his report to the Third Committee.

The High Commissioner reports that since the beginning of 2001 to the end of 2003, the number of 'people of concern' to the UNHCR fell by 5 million - from 21.8 million to 17 million. My delegation is indeed pleased to note this significant development, as well as the fact that voluntary repatriation and resettlement have been an integral part of this process.

Mr. Chairman,

The High Commissioner has remarked that the "UNHCR 2004" process has encouraged UNHCR to look further ahead. Developing countries are host to the largest number of refugee movements. Their problems deserve particular attention. They call for a strategic adjustment in the approaches and programmes of the UNHCR. The concerns of developing countries have to be addressed in proportion to the magnitude of the burden they carry. The link between poverty and refugee flows is well-recognised. The search for durable solutions will remain elusive as long as the fundamental factors that give rise to refugee movements remain unaddressed by the international community. A development-based approach limited in scope and application only to refugees will not only remain a quick fix and an incomplete solution; it may even exacerbate inequalities at the local level.

We reiterate, in this context, the imperative of addressing the global development agenda, including achievement of the goals of Millennium Declaration. The development agenda, therefore, has to underpin

international efforts to ensure prevention, and address the needs of relief and rehabilitation of refugees. We agree that the UNHCR's mission must be based on the principles of solidarity, responsibility and burden-sharing.

Mr. Chairman,

My delegation recognises the inherent potential of the 'Convention Plus' initiative. The Multilateral Framework of Understandings on Resettlement can make an important contribution to international responsibility and burden-sharing. We look forward to its operationalisation. The finalisation of the Framework needs to be welcomed, especially as it comes at a time when the international refugee law framework is under challenge by growing xenophobic tendencies, violations of the principle of non-refoulment, and erection of new walls and barriers in the traditional countries of resettlement. Caution must be exercised against the trend towards trying to 'regionalise' solutions to refugee situations. Such an approach could be interpreted as a new form of containment of refugee movements, and hence a derogation from the principle of international responsibility to which the UNHCR and States have committed themselves.

Mr. Chairman,

The success of UNHCR in achieving the goals of the Agenda for Protection and solutions depends on its ability to work in close cooperation with and the consent of the States concerned.

UNHCR should be alive to the specificities of individual situations, and the consequences of its intervention in a given situation. Given that the bulk of refugee flows occurs in developing countries, voluntary repatriation suggests itself as the most viable durable solution. It is mandatory for the international community to provide the requisite sustained, multi-dimensional support to ensure the durable re-integration of those who have returned to their countries of origin, as the High Commissioner's report points out.

Mr. Chairman,

Prioritisation of UNHCR's activities is an inescapable reality. In our view, the UNHCR should maintain its focus on those persons of concern who have the first charge on it mandate – the refugees.

My delegation feels obliged to reiterate its views on the issue of

internally displaced persons, who are first and foremost the responsibility of Member States. UNHCR's role in situations involving internally displaced persons should be on the basis of explicit requests by the Member State concerned. It is also necessary to ensure that there is no duplication in the responsibilities in this area between the different humanitarian pillars of the UN, which should function within their existing mandates.

Mr. Chairman,

We wish to reiterate the unique and important role of the UNHCR which has a global mandate given to it by the General Assembly. UNHCR's critical reliance on voluntary cash contributions makes it indispensable for it to always maintain the highest standards of impartiality, transparency, and accountability in its international management and programmes.

New refugee crises have emerged over the past one year with large-scale suffering, and the cycle of hopelessness, despair and deprivation has continued for many. India is committed to working with the international community to address the new and emerging challenges in a spirit of compassion, solidarity and burden-sharing.

Thank you, Mr. Chairman.

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445. Statement by Member of the Indian Delegation to the United Nations Vaylar Ravi MP on Agenda Item 39(a) 7(c): "Strengthening of the Coordination of Humanitarian and Disaster Relief Assistance of the United Nations, including Special Economic Assistance" at the General Assembly.

New York, November 11, 2004.

Mr. President,

We thank the Secretary-General for the report presented under this item and the useful introduction provided by the Under-Secretary-General for the Office of Coordination of Humanitarian Assistance. We associate ourselves with the statement made by the distinguished representative of Qatar on behalf of the Group of 77.

Mr. President,

Before making my substantive comments under the agenda item under discussion today, I should like to pay tribute to the memory of President Yasser Arafat, Leader of the Palestinian people for almost four decades. I had the privilege of meeting Yasser Arafat during his visit to India in the mid 80's. Like millions of others around the world, I too was struck by his charismatic leadership. On behalf of India and on my own behalf, I join others in conveying condolences to the Palestinian leadership and members of the bereaved family.

Mr. President,

The number of countries requiring humanitarian assistance as a result of complex emergencies has remained constant over the past year. The overall requirements for humanitarian assistance remain at approximately the same level as in previous years. We note with concern that the pattern of funding humanitarian activities remains uneven, leaving some countries substantially under-financed. The case of the Central African Republic which received only five percent of their requirements in 2003 is the most glaring example. This underscores the importance of allocating resources fairly to all countries in need. The United Nations should be seen to be above 'humanitarian favouritism', and as not forgetting those humanitarian emergencies that no longer have the benefit of the so-called "CNN effect".

For this, the UN must avoid regional imbalance or uneven funding of humanitarian needs. Only then the universal trust in the UN system would be preserved.

The allocation and availability of resources for humanitarian assistance remain matters of vital concern. We, therefore, support the Secretary-General's recommendation inviting donors to continue efforts to make available increased amounts of earmarked funding for relief assistance.

We also support the need for some predictability in the funding provided for humanitarian activities. However, situations of humanitarian emergencies are mostly unpredictable. How funding can be provided for such activities on a totally predictable basis remains, therefore, undear.

Mr. President,

The problems associated with the way humanitarian assistance and humanitarian actors are perceived have emerged as an area of concern in recent years. Continuing attacks on humanitarian workers in some situations of conflict have led these questions to be of growing concern to the UN and the international community. The attacks on humanitarian personnel must be condemned as unjustified.

The report also observes that the warring parties must recognise the neutral and impartial nature of UN humanitarian action. This is understandable; however, for this, UN humanitarian action should not only be neutral, but also be seen to be neutral. We would underscore the need for broad transparency, accountability and democratic inter-governmental process of debate and agreement. Humanitarian assistance should strictly abide by the basic principles of neutrality, humanity and impartiality as set out in resolution 46/182. Humanitarian action should also be apolitical and offered at the request of the recipient government. These principles should also hold good for "integrated missions". The concern of the Secretary-General on the question of access In providing humanitarian assistance is well-placed. However, issuance of visas, travel permits or custom clearances fall within the purview of the national governments.

Providing a local face to humanitarian action could be helpful in conveying the right message behind the humanitarian action. Humanitarian assistance personnel should be mainly hired keeping the principle of

geographical proximity in mind, and paying attention to the importance of familiarity of the personnel with the location and nature of crisis. This could be done by including personnel who belong to the area or have a prior experience of similar emergencies. Both the efficiency and the perception of the humanitarian action may be improved in this way. The report also speaks of the need for humanitarian personnel to be sensitive to local customs and traditions. Local resources, procured locally or from the neighbourhood, and use of locally hired transport would be seen as a positive measure by recipients of humanitarian assistance, apart from building capacity locally and reducing time-delays. Regional approaches, where possible or applicable, may also be useful.

Mr. President,

For humanitarian assistance to be effective in situations involving a multiplicity of actors, the coordination function should not be allowed to overwhelm humanitarian action on the ground, lest the former should become the most important preoccupation of the humanitarian effort. Where such coordination becomes necessary, the national government would be best placed to coordinate humanitarian assistance. We would also underscore the need to fully respect the principle of national sovereignty.

Efforts are being undertaken by the UN system to assist and support national response capacity through the development of a variety of disaster response tools. We have taken note of the internet-based operational alert system for earthquakes and sudden-onset emergencies, being developed by the UN. Discussions are under way on applying this model to other types of disasters such as cyclone and hurricanes in order to ultimately develop a global disaster alert system.

As pointed out by the Secretary-General, the recovery phase for natural disasters, unlike that for countries emerging from conflict, stands a better chance of benefiting from the support of national authorities able to take the lead in carrying out recovery and reconstruction activities.

We also agree that the international community, led by the UN system, must support the transition from the Immediate natural disaster response phase to the longer-term transitional phase. They should boost national structures able to carry out critical reconstruction activities, especially in regions susceptible to recurring disasters.

Developing countries, especially the disaster-prone ones among them, would benefit from assistance in the area of capacity-building in early warning systems. Sharing of technologies such as remote sensing, geographical Information systems (GIS), Global Positioning, computer modelling and expert systems and electronic information management would assist developing countries to be better-prepared for dealing with natural disasters and reduce their adverse impacts. We, therefore, agree with Secretary-General on the need for channelling increased resources for capacity-building activities in disaster-prone areas and for strengthening national capacities in disaster prediction and preparedness. A properly trained and equipped national response capacity remains the most effective means of carrying out rapid assessment and coordinating the initial response. Regrettably, funding provided by donors for capacity building in disaster reduction and recovery remains comparatively low, and is particularly meagre when compared with funding for conflict and post-conflict activities. As pointed out in the report, disaster reduction efforts are a key means of saving lives and preserving developmental and financial investments that would otherwise be lost.

Thank you, Mr. President.

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446. Statement by Member Indian Delegation to the United Nations Shriniwas Dadasaheb Patil MP at 2004 United Nations Pledging Conference for Development Activities at the General Assembly.

New York, November 11, 2004.

Mr. President,

We thank the Secretariat for the documentation prepared for this Pledging Conference.

The development agenda of the United Nations deserves to be given the highest importance. India, along with other developing countries, believes that the development agenda represents a shared global commitment to poverty alleviation transcending national borders. It is the development activities of the UN system which are seen as the public face of the UN by those outside in the real world. It appears to us that participation in this Pledging Conference is a demonstration of the Member State's continued faith in the development agenda of the United Nations.

India's voluntary contributions to the Funds and Programmes of the UN system are proof of our commitment to multilateralism and to international solidarity for development and poverty alleviation. The United Nations Special Fund was established in 1958. For its first five years, India's financial contributions amounted to more than one-third of the total contributions of all developing countries. Since then, our contributions, though modest, have been the largest from the South and, at times, even larger than those of some OECD countries.

Mr. President,

I have the honour to announce India's pledges of contributions for operational activities for development of the UN system for the year 2005. These are as follows:

i)	UNDP	$ 4,500,000/-
ii)	WFP (For the Biennium 2005-06)	$ 1,920,000/-
iii)	UNICEF	$ 900,000/-
iv)	UN Fund for Population Activities (UNFPA)	$ 200,000/-
v)	UN Development Fund for Women (UNIFEM)	$ 20,000/-

vi)	UN Trust Fund for the International Research & Training Institution for the Advancement of Women (INSTRAW)	$ 1,100/-
vii)	Fund for the United Nations Environment Programme (UNEP)	$ 100,000/-
viii)	UN Centre for Human Settlement (UNCHS)	$ 80,000/-
ix)	Fund of the UN International Drugs Control Programme	$ 60,000/-
x)	UN Crime Prevention and Criminal Justice Fund	$ 3,000/-
xi)	UN Relief & Works Agency for Palestinian Refugees in the Near East (UNRWA)	$ 20,000/-
xii)	UN Volunteers	$ 15,000/-

Thank you, Mr. President

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447. Statement by Permanent Representative at the United Nations Nirupam Sen on Agenda Item 49(A): "Ocean and the Law of the Sea" and (B) Sustainable Fisheries including through the 1995 Agreement for the Implementation of the Provisions of the United Nations Convention on the Law of the Sea of 10 December 1982 Relating to the Conservation and Management of Stradding Fish Stock and Highly Migratory Fish Stocks and Related Instruments" in the General Assembly.

New York, November 16, 2004.

My delegation welcomes the opportunity to participate in the debate on this item during the *iO** anniversary year of the entry into force of the UN Convention on the Law of the Sea, 1982. We thank the Secretary- General for his comprehensive reports on matters relating to the Law of the Sea, and ocean affairs.

The United Nations Convention on the Law of the Sea sets out the legal framework within which all activities in the oceans and seas must be carried out.

Accordingly the need for its universal acceptance cannot be over-emphasised and we welcome the steady increase in the number of States Parties.

Mr. President,

It is a matter of deep satisfaction that all subsidiary institutions under the Convention, namely the International Sea-bed Authority, the International Tribunal for the Law of the Sea and the Commission on the Limits of the Continental Shelf have made considerable progress in their respective areas of work in the past year. India has been working closely with all these institutions. We have invested heavily in the exploration of minerals in the deep-sea bed. We continue to incur considerable expenditure for collection of data as a primary investor and now as a Contractor, The International Sea-bed Authority is currently involved In the development of a legal regime for prospecting and exploration of poly-metallic sulphides and cobalt-rich crusts.

We appreciate the role of the Authority in the conservation of biodiversity in the Area, especially elaboration of the rules, regulations, and procedures to ensure the effective protection for the marine environment, the protection and conservation of the natural resources of the Area, and the prevention of damage to its flora, and fauna, from harmful effects that may arise from the activities in the Area, During the last session of the International Sea-bed Authority, India was elected as a member of the Council in Group B, representing States which have made the largest investment in sea-bed mining. We congratulate Ambassador Satya Nanadan for his re-election as Secretary- General of the Authority for another four-year term.

Mr. President,

The Commission on the Limits of the Continental Shelf finalised and adopted at its 13"" session a revised set of rules of procedures on the basis of the practical experience gained by the Commission from receiving and examining its first submission. We welcome the revised set of rules of procedure. The Commission is currently examining the second submission made by Brazil on 17" May 2004. We understand that a number of countries have indicated the submission of their claims between 2005 and 2008. The developing countries which are in the process of preparing submission to the Commission might require help in some cases to enhance their capacity. In this regard. States which have expertise in the delineation of outer limits of the Continental Shelf could extend such cooperation by providing assistance to developing States. India has the requisite expertise on the assessment and mapping of the Continental Shelf, and is willing to extend cooperation in training other developing countries for this purpose. We also welcome in this context the efforts of the Division of Ocean Affairs and Law of the Sea in bringing out a training Manual to assist States in developing the requisite knowledge and skills in preparing their submission in respect of the outer limits of the Continental Shelf. I may also add that in the context of South - South co-operation, to the extent practicable and appropriate India is prepared to share technologies fields ranging across ocean data collection, anti corrosion and submersible energy.

Mr. President,

The International Tribunal for the Law of the Sea has been active as an independent Judicial body established by the Convention to adjudicate

disputes arising out of its interpretation or application. It has decided a number of cases involving a wide variety of issues such as freedom of navigation and other internationally lawful uses of the seas, the enforcement of customs laws, refuelling vessels at sea, and the right of hot pursuit, conservation and sustainable use of fish stocks, provisional measures and matters involving land reclamation. The Tribunal enjoys a high reputation for fairness and integrity.

Mr. President,

The international community has continued to focus over the past year on issues relating to navigation, conservation and management of living marine resources, and conservation and management of biological diversity of the sea-bed in areas beyond national jurisdiction. In the area of navigation, we would like to express our serious concern with the increase in the reported incidents of piracy and armed robbery against ships which have risen to 3,041 in the period from 1984 to the end of March 2003. The involvement of militia groups in kidnapping the crew in politically vulnerable areas calls for close attention. Piracy attacks have taken place in certain geographical hot-spots, not in the open sea, but in territorial waters while the ships were at anchor or berthed. Regional cooperation in the high-risk areas has been identified as an important measure to combat crimes at sea. India has been actively involved In the ongoing efforts initiated by Japan to establish a regional cooperation agreement on anti-piracy along with fifteen other States of the region. I may also add that the Indian Navy is playing a productive and useful role In countering piracy in adjacent to Seas.

Mr. President,

The prevalence of illegal, unregulated and unreported (IUU) fishing is causing severe problems affecting world fisheries, particularly developing countries, and is likely to have far reaching adverse consequences for the long-term sustainable management of their fisheries. It is a matter of grave concern that over-fishing continues to take place in contravention of applicable regional conservation regimes, and that States are not meeting their obligations to address complaints by their flag vessels and nationals. Excess capacity has been cited as a key factor in IUU fishing and over-fishing in general. Hence, emphasis has been made on the need for capacityreduction where excess capacity exists, and on the need for

increasing the capacity of developing States in achieving sustainable fisheries, both in areas under national jurisdiction and on the high seas. In this context, we agree with the recommendation made by the FAO Technical Consultation, to continue to use funds to assist developing States in collecting and assessing comprehensive data on IUU fishing.

Mr. President,

The preservation of vulnerable marine ecosystem and biodiversity in areas beyond national jurisdiction has been the focus in recent times, in the subsidiary bodies created by the Convention, and also in the Conference of Parties of the Convention on Biological Diversity. It is currently estimated that approximately 98% of known marine species live in benthic environments, and that more species live in benthic environments than in all other environments on earth combined. The biological communities located, beyond the national jurisdiction, on the deep sea-bed such as sea mounts, deep-sea corals, hydrothermal vents, and other features which include cold seeps and pockmarks, and soft sediment environments, such as abyssal plains, trenches and submarine canyons have been identified as vulnerable to fishing, marine scientific research, including bio-prospecting.

The discovery of deep sea-bed communities has opened opportunities for prospecting of these chemo-synthetic organisms, characterised by a molecular structure allowing them to live in water exceeding 100° C and at extremely high pressure (extremophiles). Due to the species' robust nature (for example, their enzymes can be exposed to harsh conditions and high temperature), extremophiles are used in a number of industrial processes, ranging from liposomes for drug delivery and cosmetics to waste treatment, molecular biology, and food and agricultural processes. It appears that the commercial use of naturally occurring extremophiles is likely to increase in the near future.

Mr. President,

The impact of scientific research and bio-prospecting on these fragile eco-systems leading to habitat loss and mortality is required to be regulated in such a way as to ensure the sustainable use of biological resources, including the equitable sharing of benefits to humankind as a whole, in accordance with the general principles of the Convention on the Law of the

Sea and the Convention on Biological diversity. In this connection, we would like to express our support to the establishment of an Ad-Hoc open-ended informal Working Group, envisaged in the draft resolution on Oceans and Law of the Sea, to study the issues relating to the conservation and sustainable use of marine biological diversity in areas beyond national jurisdiction.

Thank you, Mr. President.

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448. Statement by Permanent Representative at the United Nations Nirupam Sen on Agenda Item 45: and 55: "Integrated and Coordinated Implementation of and follow up to the Outcomes of the Major UN Conferences and Summits in the Economic, Social and Related Fields and follow up to the outcome of the Millennium Summit" at the General Assembly.

New York, November 22, 2004.

Mr. President,

We welcome the opportunity to participate in the discussions on the modalities, format and organisation of the high-level plenary meeting of the sixtieth session of the General Assembly. We thank the Secretary-General for his report on this item as well as the ones on the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic, social and related fields and on the implementation of the United Nations Millennium Declaration.

The opportunity provided by the 2005 Major Event should enable the general membership to reiterate not just its commitment to the full implementation of the Millennium Declaration but agree on creative concrete and clear ways of actually implementing it on time. The Event should provide a strong impetus towards the achievement of the Millennium Development Goals contained in the Millennium Declaration and other development goals

contained in the outcomes of the major UN conferences and summits in the economic and social fields. We are equally interested in the review of other aspects contained in the Millennium Declaration, including, in particular, issues relating to maintenance of international peace and security, disarmament and the reform process of the UN, including institutional and structural changes, in which developing countries have an equal and vital stake.

Mr. President,

On the timing and duration of the high-level event, we agree broadly with the recommendations contained in the Secretary-General's report on the modalities, format, and organisation of the high-level plenary meeting.

Participation at the highest possible political level would ensure that all Member States can feel a sense of ownership about the outcome.

We agree with the Secretary- General's recommendations with regard to the structure and format of the high-level event. The plenary setting would provide a platform for Heads of State and Government to make statements and address important policy questions relating to the implementation of the Millennium Declaration. The round-tables, on the other hand, would provide a setting for more interactive and intensive discussions on different aspects of the agenda.

The agenda of the high-level event, as set out in Resolution 58/291, should encompass a comprehensive review of the implementation of all aspects of the Millennium Declaration. This would enable delegations to pay particular attention to any area they might wish to focus on. For example, India and other members of the Group of 77 would place emphasis on the efforts towards the achievement of the Millennium Development Goals and the obstacles encountered by the developing countries in their endeavours. Some of us may wish to pay special attention to the question of Financing for Development.

Some would wish to concentrate on the Johannesburg Plan of Implementation on sustainable development. Member States would attach importance to peace and security, and questions such as terrorism and weapons of mass destruction, including the danger of their proliferation to non-State actors. All these objectives are integrally linked to the reform of

the UN, including the reform and expansion of the Security Council. We await the presentation in March, 2005 of the report of the Secretary-General on the comprehensive review. We trust that the report will identify practical ways of achieving the Millennium Development Goals and implementing other parts of the Millennium Declaration.

On preparations, we agree with the unexceptionable principles contained in the Secretary-General's report for making the preparatory process open-ended, transparent and inclusive. This would enable all Member States to feel a sense of ownership which would be particularly important so as to ensure that delegations of developing countries, which are relatively small in size and are under-resourced, are in a position to participate and involve themselves fully in the preparatory process.

We need to look at how the various processes initiated in the inter-governmental bodies can feed into the preparations for the 2005 event and how the outcome can take into account such inputs and incorporate them appropriately. In this context, the 10-year reviews of the Beijing and Copenhagen Conferences have relevance. We look forward to receiving the recommendations of the Secretary-General on the report of the High Level Panel set up by him on Threats, Challenges and Change. We believe that Member States would examine carefully the report and the recommendations and adopt appropriate decisions on these recommendations. The report of the World Commission on the social dimensions of globalisation containing concrete recommendations on making the process of globalisation fairer, more equitable and more inclusive, besides certain institutional changes, deserves fuller consideration by the Member States in the run-up to the 2005 Event. We hope that the preparatory process for the high-level event would give detailed consideration to each of these reports which will help shape the outcome of the high-level event.

We believe that the high-level dialogue on Financing for Development should provide meaningful inputs for consideration during the high-level event.

We would, therefore, prefer that the high-level dialogue is held in late June or early July, 2005, preferably in New York. Any event which is back-to-back in the high-level event itself would not serve this purpose and the

same infirmity would also apply even to a two-stage holding of the event on the Financing for Development.

Mr. President,

We support an inter-governmentally agreed outcome of the 2005 Event that is concrete, action-oriented and implementable. In this context, we take note of the Secretary-General's suggestion of a 'single integrated package of decisions' to be endorsed at the high-level plenary meeting. It is incumbent upon all of us to ensure that the preparatory process produces such a basket of decisions. For this purpose, it would be useful to identify different clusters of topics, and work on a series of decisions that can be locked in as we approach the Millennium review event. We would, however, caution against the danger of progress on any one issue being held hostage to progress on others during the preparatory process. Conversely one may add, that progress on each issue would reinforce and assist progress on succeeding and other issues.

Some delegations have spoken of the need to avoid divisiveness in the consideration of issues in the preparatory process. Divisive is not a label that should be used to characterise only one set of issues. Depending on the perspective employed, any issue can be considered to be divisive. Development can be as divisive as peace and security or terrorism, if that is the way a delegation or a group of Member States chooses to approach development.

Therefore, in our view, this should not serve as a pretext to avoid a serious discussion and decisions on institutional reform.

The preparatory process we wish to put in place should be determined by the outcome that we seek to achieve for the Millennium review event. Most developing country delegations have expressed themselves in favour of an action-oriented outcome rather than a declaratory one that is based on the 'lowest-common-denominator' approach. Those desiring to move away from the latter should be ready for bold approaches that seek to reclaim the role of the United Nations in strengthening multilateralism and provide the broadest possible agreement using the extant rules of procedure.

Seeing you in the Chair Mr. President, I cannot resist saying that it is extremely important to work as a team - the eleven on a cricket field - as a fellow cricket-playing nation, have to work in the team. At the same time it is

equally important to follow and use the rules of the procedure - in short, the rules of the game.

Mr. President,

Developing countries have waited long enough for this to happen. They are interested in results, not just in ritual; in meaningful decisions, not just in declarations. We are confident that they would not hesitate to grasp the gauntlet of steel rather than just a gamut of statements. The Secretary-General has again reiterated in his report that "we have come to a fork in the road". We may add that one of these, caught in the past, leads to a blind alley. The other holds the promise, through the opportunity of the Major Event, of leading us to transform the Organization so that it can deal effectively with current and emerging challenges and threats, while being responsive to the interests and concerns of the developing countries.

Thank you, Mr. President.

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449. Statement by the Counsellor at the Permanent Mission at the United Nations Mrs. Mukta D. Tomar after adoption of Draft Resolution on "New International Humanitarian Order".

New York, November 23, 2004.

Mr. Chairman,

We would like to convey our appreciation to the delegation of Jordan for theirefforts in the preparation of the draft resolution on the "New International Humanitarian Order" which we have just adopted without a vote. My delegation has gone along with the text contained in the document A/C.3/59/L.74, as orally revised. We would, however, like to take this opportunity to make clear our understanding of the text which has been adopted.

The text of the resolution is derived to a considerable extent from language agreed in other resolutions. While we have gone along with the

text, we believe that the scope of the resolution has been considerably altered from its original purpose. Many of the paragraphs contained in the resolution, in our view, do not necessarily belong to this document.

PP8 which takes note of the report of the Secretary General does not represent any endorsement of the ideas and recommendations contained in the report.

The reference in OP1 to an agenda for humanitarian action applies, in our understanding, to an agenda based on, and deriving from, the guiding principles for humanitarian assistance, clearly outlined in section 1 of the annex to General Assembly resolution 46/182. These guiding principles are valid, time-tested and their continued application would contribute towards success in relieving pain and suffering. The reference to "new realities and challenges" in this paragraph is, to our delegation, to the increasing number of people affected by humanitarian emergencies, particularly those caused by natural disasters. The central challenge that needs to be addressed by the international community is one of continued international cooperation in supporting the efforts of affected states, including with adequate financing, in dealing with natural disasters and complex emergencies in all their phases, particularly focusing on the phase from relief to development. It is also important to ensure that funding provided for humanitarian assistance is not to the detriment of resources made available for international cooperation for development. We also believe that the international community should not forget the needs of the 'forgotten emergencies'.

With regard to OP5 which requests the UN Secretary-General to continue to promote adherence to refugee law, international humanitarian law, human rights law and internationally accepted norms and principles in situations of humanitarian emergencies, it is our understanding that the paragraph refers to the obligations of States as applicable to them and that the reference to norms and principles is to the principles set out in resolution 46/182.

Thank you, Mr. Chairman.

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450. Statement by Permanent Representative at the United Nations Nirupam Sen on Agenda Item 37 "Question of Palestine", and Agenda item 36: "The Situation in the Middle East" at the General Assembly.

New York, November 30, 2004.

Mr. President,

We express deep sorrow, on behalf of the Government and people of India, on the passing away of His Excellency Yasser Arafat, the late President of the Palestinian Authority and Chairman of the Palestinian Liberation Organisation. We convey our sincere condolences on this occasion to the wife and daughter of the late President and to the Palestinian people in their time of grief.

Mr. President,

In his message on the occasion of the International Day of Solidarity with the Palestinian People, the Prime Minister of India, Dr. Manmohan Singh, said: "For four decades, President Arafat had been the enduring symbol of steadfast courage in leading the struggle of the Palestinian people for an independent homeland. On this solemn occasion, we pay homage to his memory and recall his ever-lasting contribution to the cause. We also take this opportunity to wish the Palestinian people, under their new leadership, peace and an end to this decades-old conflict. India reaffirms its solidarity with the fraternal Palestinian people for the realisation of its legitimate rights".

President Arafat was the elected leader of the Palestinian people and the symbol of their cause. He embodied their will and aspirations. He was a towering and highly respected international personality who fought selflessly and courageously, at great personal sacrifice, for the Palestinian cause and an independent homeland for the Palestinian people, to which he dedicated his whole life. India has consistently supported the Palestinian struggle for independence, and was the first country outside of the Arab world to recognise the Palestinian Liberation Organisation as the sole and legitimate representative of the Palestinian people.

President Arafat was greatly respected and admired by the people and leaders of India, and will always be remembered as a sincere and

steadfast friend of India. The people of India share the grief of the leadership of the Palestinian National Authority and the people of Palestine at the passing away of a great patriot and statesman.

Mr. President,

India is deeply concerned at the ongoing conflict in the region. The violence that has beset the region since September 2000, has claimed almost 4000 Palestinian and 1000 Israeli lives, besides the physical or psychological scars not visible in conflicts that involve civilians as much as combatants. India has joined the international community in voicing its concern over the endless cycle of violence and counter-violence that has characterised the current phase of this conflict. India has maintained consistently that violence was a serious impediment to the peace process, and that the solution did not lie in more violence but in pursuing the path of political dialogue.

The economies of both Israel and the Palestinian Authority have suffered immeasurably as a result of the ongoing conflict. Palestine has been particularly hard hit. It continues to reel under what the World Bank has described as 'one of the worst recessions in modern history'. The widespread increase in poverty and unemployment, coupled with the decreasing revenues of the Palestinian Authority, has brought the economy to the verge of collapse.

India has called for an easing of the restrictions placed on the Palestinian areas and an immediate amelioration of the ongoing humanitarian crisis there. To demonstrate our support for the Palestinian people in their quest for nationhood, India recently announced the provision of assistance and medicines worth approximately $ 450,000 to the Palestinian Authority. We have also decided to double our contribution to the United Nations Relief and Works Agency for Palestinian Refugees (UNWRA) this year.

Mr. President,

The Palestinian leadership has shown great courage and fortitude in the period following the demise of President Arafat. Their decision to hold elections on January 9, 2005 has been in the best traditions of a smooth transfer of power in accordance with the Basic Law. Israel's decision to release the approximately $ 33 million in attached arrears to the Palestinian

Authority has also been encouraging. However, the success of elections depends a great deal on the continued actions of the parties involved.

Israel, in the critical period before Palestinian elections, has to refrain from actions that could undermine trust, including settlement activity; facilitate the preparations and conduct of elections; take steps to lift curfews and ease restrictions on the movement of persons and goods; and significantly improve the humanitarian situation in the Palestinian territories. The Palestinian Authority would have to undertake action on the ground to halt violence.

Israel has to allow residents of East Jerusalem to vote in the forthcoming elections; to ease the closures and blockades on major Palestinian towns and cities; to provide unhindered access to candidates and voters; and to allow international observers. The international community would need to be fully involved with the Palestinian election process to ensure that it is conducted in the best possible circumstances and is free and fair.

Mr. President,

Both Palestinians and Israelis should make optimal use of the opportunities represented in this new beginning. Most Israelis and Palestinians appear to be in favour of the resumption of the peace process after four years of conflict and loss.

Elections in the Palestinian Authority in the wake of an easing of the restrictions on the territories should pave the way for Israel's withdrawal from Gaza and the West Bank including East Jerusalem, thereby reviving the peace process**.** There is no doubt that for this initiative to succeed, Israel's redeployment would have to be part of the overall peace-process and coordinated with the Palestinian Authority and the international community. If these requirements were met, withdrawal could be a useful step towards an end to the Israeli occupation that began in 1967, by means of direct negotiations between the parties leading to the goal of two States, Israel and a sovereign, independent, viable, democratic and territorially contiguous Palestine.

We recall, in this connection, the Advisory Opinion of the International Court of Justice on the legal consequences of the construction by Israel of the wall in the occupied Palestinian territory. The Court had opined that the

wall is contrary to international law and should be dismantled. We had called on Israel to take full account of the Advisory Opinion, in keeping with the overwhelming international opinion in the matter, with a view to its early implementation.

Renewed and redoubled efforts are necessary for the peace process to move forward in accordance with the relevant United Nations resolutions, the "Quartet" roadmap and international law, with the support of the international community. We hope that a negotiated solution to end this conflict will be found urgently**.** The vision of two States living side by side in secure and recognised borders remains as valid, and perhaps more attainable now, than at any other time. India strongly urges the parties concerned and the international community to press for a just and comprehensive resolution of the conflict within the earliest possible time-frame, based on Security Council resolutions 242, 338, 1397 and 1515.

Mr. President,

There have been recent signs indicative of interest in the revival of the Lebanese and Syrian tracks. India has advocated a comprehensive solution to the situation, as the logical next step in the resolution of the wider Israeli-Arab conflict on the regional level as envisaged in the Saudi Arabian peace initiative. The principle of "land for peace" holds equally valid in addressing the other tracks of the Middle East conflict. We sincerely hope the comprehensive political process can be revived at the earliest.

Mr. President,

The late Prime Minister of India, Mrs. Indira Gandhi whose untimely death Chairman Arafat had deeply mourned, as we mourn his death today, was fond of some lines from the writings of a remarkable woman of India, the poet Sarojini Naidu, who had said, "True peace is not the peace of negation, not the peace of surrender, not the peace of the coward, not the peace of the dying, not the peace of the dead but the peace militant, dynamic, creative, of the human spirit which exalts".

Thank you, Mr. President.

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451. Statement by Permanent Representative at the United Nations Nirupam Sen on Agenda Item 27: "The situation in Afghanistan and its implications for the International peace and security" and Agenda Item 39d: "Emergency International Assistance for Peace, Normalcy and Reconstruction of War-stricken Afghanistan" at the General Assembly.

New York, December 8, 2004.

Mr. President,

The presidential election in Afghanistan, one of the last yet most critical of milestones of the Bonn process, was a landmark event in Afghanistan's history. Over eight million Afghan citizens, forty percent of which were women, exercised their franchise. In doing so, the Afghan people defied the threat of terrorism and firmly committed themselves to the enlightened rule of democracy. They also rejected the repeated attempts of regressive elements and their sponsors to restore the ideology of obscurantism, hatred and violence. India welcomes the successful electoral process through which President Karzai was elected with a significant majority.

The next tasks in the political process are the formation of a new government and the holding of parliamentary and local elections. We look forward to the emergence of a strong Central government that would be in a position to consolidate its authority and ensure the security, stability and success of the reconstruction process. We have no doubt that the new government would be representative of the ethnic, cultural and geographical diversity of the country. Efforts at national reconciliation and unity are essential if Afghanistan is to succeed in its nation-building endeavour. We look forward to a practical consideration of parliamentary and local elections and its conduct, free from electoral manipulation or fraud.

The latest report of the Secretary General on this item, issued pursuant to General Assembly resolution 58/27A & B, provides a useful overview of the key political and humanitarian developments in Afghanistan from December 2003 to 15 November 2004. However, we believe a firmer message from the United Nations was necessary for the international community to ensure stability in Afghanistan. While the report of the

Secretary General highlights the fact that "security in the south and southeast deteriorated to the point where large areas were effectively out of bounds to the assistance community and government officials were frequent targets of attacks", it fails to correctly and accurately reflect the reality of the security situation as it currently stands in Afghanistan.

Mr. President,

The process of peace and stabilization in Afghanistan is still fragile. While no serious violent incidents took place on the day of election, the upsurge in militant violence in the run-up to the polls and in the period since, has revealed that terrorism perpetrated by the Taliban, Al Qaeda and Hizb-e-Islami elements continue to constitute the primary source of insecurity in Afghanistan. Their activities, with support from outside, have undermined reconstruction efforts, especially in the eastern and southeastern provinces. Increasing attacks by terrorist elements continue to represent not only the greatest threat to Afghanistan's security and stability but also a major threat to regional and international peace and security.

At the same time, the success of the disarmament programme, as represented by the extensive demobilization and heavy weapons cantonment, has signaled a new reality. Factional leaders appear to have internalized the lessons of democracy and have changed their tactics to attempt to rule through the ballot and not the bullet. Factional violence could never represent an existential threat to Afghanistan in the way terrorist and extremist activity did and continues to do. However, recent trends have indicated that they pose even less of a threat than previously imagined.

Therefore, for the United Nations to equate terrorist and extremist attacks with factional violence and threats posed by criminal elements, including those in the drug trade, as it appears in the Secretary General's report, is a travesty at best and, an attempt to distort the priority, nature and magnitude of threats that continue to face the nascent Afghan State, at worst. Furthermore, to pretend injudiciously to not know who the perpetrators of the terrorist attacks cited in the report were, only accentuates the slant the report lends itself to.

The draft resolution (Document A/59/L.44) under consideration, and concluded as a result of broad-based consultations among Member States, calls upon the Afghan Government, with the assistance of the international

community, to "continue to address the threat to Afghanistan's security and stability, posed by Al Qaeda operatives, Taliban and other extremist groups". It is evident, that at this stage, a continued international presence would be required. However, longterm stabilization of the country would require the empowerment of the Afghan central authorities, and building up of national security institutions, which are led by Afghans and entrenched in Afghanistan's ground realities. Unfortunately this process has not moved so far at the pace we would all like.

We also remain deeply concerned about the continued increase in the cultivation, production and trafficking of narcotics drugs in Afghanistan. According to the 2004 Opium Survey of the United Nations Office on Drugs and Crime (UNODC), opium cultivation in Afghanistan increased by two-thirds this year. This could undermine the political and economic reconstruction of Afghanistan and have potentially dangerous repercussions for the region and beyond. We agree here with the report of the Secretary General which underlines the need for additional efforts by countries through which Afghan opiates are trafficked and places where heroin abuse is a significant problem.

Mr. President,

In view of our historical ties of friendship and cooperation with Afghanistan and the Afghan people, India has made a substantial contribution to Afghanistan's reconstruction effort. Despite our constraints and the fact that we are not a traditional donor, our present commitment over the period from 2002 to 2008 adds up to US$ 400 million, including 1 million tons of assistance in wheat aid.

In partnership with the Afghan government, India has undertaken projects in a number of sectors including transportation, civil aviation, information technology, health, education, agriculture, information & broadcasting, telecommunications, power transmission, banking, urban development, water resources, industry, and road construction. India has also undertaken an extensive programme for rebuilding of institutional capacity through which more than 780 Afghans have received training in India and various fields. Our projects have reached out to people in virtually all parts of Afghanistan.

In the coming period, we expect to focus more on projects in the

infrastructure sector, including road and power. India's programme of economic assistance in Afghanistan is guided by Afghan priorities and ownership. Our relations with Afghanistan are bilateral and direct. The underlying principle of our cooperation with Afghanistan remains our sole desire to see Afghanistan emerge as a strong, united, independent and prosperous country. We wish to see full consolidation of authority by the central government. Our efforts in reconstruction and other sectors would continue to be directed towards these ends.

For the benefit of interested delegations, we have placed copies of a brochure entitled "Afghans First: India at Work in Afghanistan", which details India's assistance programme in Afghanistan, at the side of the General Assembly hall.

As part of our efforts to encourage trade, India has signed a Preferential Trade Agreement with Afghanistan in March 2003 providing duty-free or reduced-duty access on items of export interest to Afghanistan.

Mr. President,

Afghanistan's transition from regressive fundamentalism to democracy and development has been impressive. Yet the international community cannot allow itself to forget that the challenges to Afghanistan's future and stability continue to remain insidious and deep rooted. It was not so long ago that the Taliban and Al Qaeda were defeated but not vanquished. These forces of terrorism and extremism continue to pose the greatest threat to Afghanistan's very existence. The international community would do well not only to recognise the nature of this threat but to confront it frontally, with neither thoughts of intimidation nor fear.

I wish to take this opportunity to express my country's wholehearted support for President Karzai's leadership in the best interests of his country. India, like all other likeminded countries, stands for a strong, united, sovereign and independent Afghanistan.

Thank you Mr. President.

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452. A summary of Remarks by Permanent Representative at the United Nations Nirupam Sen on informal consultations of the Plenary on the Report of the High – Level Panel.

New York, December 9, 2004.

I thank you, Mr. President, for arranging today's meeting of the plenary. We have listened to the Secretary General on the report of the High Level Panel, followed by informal consultations for exchange of views among delegations.

We particularly thank the Secretary General for his remarks. The Panel has come up with several recommendations on the threats and challenges, existing and emerging, confronting the international community, and suggested ways of responding to them collectively under the aegis of the United Nations. We have no doubt that the recommendations of the Panel will be studied in great detail by all of us in the weeks to come.

2. The vast majority of the UN membership comprises developing countries, many of them small and vulnerable. The touchstone of both the substance and the process (in considering the Panel Report) would be the way they address the insecurities of this vast majority. These relate to the problems of economic development, especially the eradication of poverty and the development of social infrastructure, especially education and public health. These are also integrally linked to peace and security. When we speak of collective security, we have to ask, collective security for whom? A collective security that is truly for all cannot be so unless it addresses the insecurity of this vast majority. Therefore, as far as substance is concerned, it is these issues that are the most important. Permit me, Mr. President, to quote a phrase from Mahatma Gandhi who once said: that before making any decision, one has to look at the face of the marginalized and consider if the decision would help. This is the only lodestar of any reform (including institutional reform). For instance, the case for the expansion of permanent and non-permanent membership of the Security Council is the inclusion of developing countries and giving them the necessary continuity and institutional memory to enable them to contribute to optimal decision-making necessary to address the insecurity of the developing countries and to shift the balance of forces in favour of their economic agenda.

3. The process (for considering the High Level Panel Report), like substance, has equally to be geared to these imperatives. Consensus in normal English usage means a broad agreement and cannot be interpreted in a literalist sense of complete unanimity; to attain meaningful, tangible and implementable decisions, particularly on problems of economic development and social infrastructure, we should not hesitate to use the extant of rules of procedure of the General Assembly, including voting. In order that those delegations of developing countries which are relatively small in size, can participate effectively, we would suggest that issues be discussed in a small number of clusters. These discussions can go on in parallel i.e. simultaneously but separately. Every single reform in history that has made a difference has done so by taking as its primary objective the need to bring the marginal into the mainstream.

4. You have envisaged this, Mr. President, as a clarificatory session. I would, therefore, like to seek some clarifications from Prof. Stedman: How does the Panel envisage the recommendations with regard to disarmament being given effect to by States, since multilaterally, negotiations are in stasis? Similarly, does the Panel have any suggestion on giving a stimulus to the implementation of the recommendation regarding 0.7% GNP for ODA? How does the Panel see universal adherence to the Rome Statute of the International Criminal Court? What decisionmaking process does the Panel envisage for the Peace-building Commission in the light of the relationship with the specialized agencies and the provisional rules of procedure of the Security Council?

5. We shall have several opportunities in the coming weeks to pronounce in detail on the recommendations of the Panel. We shall also participate actively in the inter-governmental scrutiny and consideration of the Panel's recommendations.

Thank you, Mr. President.

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453. Statement by Counsellor at the Permanent Mission at the United Nations Mrs. Mukta D. Tomar on Agenda Item 105: Human Rights Questions: United Nations Decade for Human Rights Education, 1995 – 2004" at the General Assembly.

New York, December 10, 2004.

Mr. President,

The International Human Rights Day commemorates this year the 56th anniversary of the adoption of the Universal Declaration of Human Rights and the 11th anniversary of the adoption of the Vienna Declaration and Programme of Action. We focus our attention today on the theme of human rights education.

The Universal Declaration of Human Rights through Article 26 provides the foundation for human rights education. The Vienna Declaration and Programme of Action (VDPA) acknowledged human rights education as an important pillar for the promotion and protection of human rights. Human rights education, training and public information have been recognised as being essential for the promotion and achievement of stable and harmonious relations among communities and for fostering mutual understanding, tolerance and peace. The General Assembly which proclaimed the first UN Decade for human rights education by its resolution 49/184 had affirmed that human rights education should involve more than the provision of information and should constitute a comprehensive life-long process of instilling in everyone respect for the dignity of others.

Education for all, elimination of illiteracy and wide-spread dissemination of information on human rights, combined with targetted human rights education for key groups such as armed forces, police personnel, judges, lawyers, trade union leaders, NGOs are indispensable elements of any effective strategy to promote human rights.

The VDPA, recognising this aspect, called upon States to pay special attention to developing specific national programmes and strategies for ensuring the widest human rights education. It also called for the proclamation of a UN decade for human rights education in order to promote,

encourage, and focus those educational activities.

While the importance of human rights education is widely accepted, action is still wanting in most areas. Human rights continue to be perceived through the behaviourist prism of condemnation and punishment rather than promotion. Human rights education offers considerable scope for bringing together the international community in a collective endeavour and, therefore, needs to be taken up as a priority activity.

Mr. President,

The Secretary-General's report presents to Member States for their consideration a draft plan of action for the first phase (2005-2007) of the proposed World Programme for human rights education. We shall study the draft plan of action carefully.

Meanwhile, the report of the High Commissioner for Human Rights referenced in the Secretary-General's report provides reflections on the achievements and shortcomings of the Decade (1995-2004) that has just been completed. We agree that one of the significant achievements of the Decade is that it has "put human rights education on the agenda." It has helped to increase awareness of the need for human rights education and provided a framework for international cooperation in this area.

Several shortcomings and challenges have been identified in the report, including the need for development of appropriate methodologies for human rights education, development of effective coordination mechanisms and frameworks for human rights education at all levels and very importantly, the lack of human and financial resources to implement human rights education programmes, and finally, the lack of political will on the part of the responsible authorities.

Mr. President,

The relationship between democracy and human rights is well established. We believe that a sound democratic tradition that promotes respect for pluralism, diversity and tolerance goes a long way in ensuring the success of our efforts in human rights education. Democratic institutions and people's participation in the political and developmental processes through these institutions would guarantee the success of such efforts. Our own national experience bears this out. In India, the idea of human rights is

embodied in the Constitution which was adopted in 1950, soon after India's independence. The Constitution promotes and protects the human rights of the people of India. Thus far, human rights education has been integrated into diverse subjects at different stages of education through India's education policy.

However, recognising the need for further action in this area, the Government of India constituted an inter-Ministerial 'Coordination Committee', under the chairmanship of the Home Secretary. The Committee adopted a National Action Plan for Human Rights Education which was drawn up in cooperation with the National Human Rights Commission, an autonomous institution mandated to promote human rights literacy and awareness under the Protection of Human Rights Act of 1993. The Committee also oversees implementation of the Action Plan which consists of strategies for raising awareness about human rights and strategies for promoting social empowerment through attitudinal change and for sensitising specific target groups such as students, officials in law enforcement and in the administration of justice, and parliamentarians.

Specific time-bound action plans have been drawn up for raising mass awareness, human rights education in educational institutions at different levels, sensitisation programmes for government officials and parliamentarians and training for officials in law enforcement and administration of justice.

The Government has undertaken several initiatives in the secondary and higher education sector, including introduction of courses in human rights education in 26 universities; the establishment of a curriculum revision committee to revise textbooks; the development of a number of training modules for teachers and educators in English, Hindi and regional languages by the National Council of Teacher Education; the provision of financial assistance by the University Grants Commission to universities and colleges for the development of specific courses in human rights; and the establishment of a special Cell at the Indira Gandhi National Open University to play the nodal role in the promotion of human rights education through distance education. In India, human rights have been introduced as a part of school curriculum in all 18 official languages.

Mr. President,

Furthering human rights education is a multi-institutional task. In India,

the work of the Government, both in the states and at the Centre, is supported by the active involvement and participation of the National Human Rights Commission. We have also enlisted the active involvement of non-governmental organisations, human rights research and training institutions, grassroots organisations, voluntary social organisations, professional associations and other active civil society organisations in this national endeavour.

My delegation is a co-sponsor of the resolution on "World Programme for Human Rights Education". We would like to thank the main sponsor, Australia, for their efforts in presenting the resolution. The resolution will ensure that the work started in the first decade on human rights education will gather further momentum in the second decade.

Our co-sponsorship of the resolution is a demonstration of the importance that India attaches to this subject.

Mr. President,

The VDPA had noted that resource constraints and institutional inadequacies may impede the immediate realisation of the objectives set out. In his message for Human Rights Day 2000 during the mid-term review of the Decade, the Secretary-General noted that there was "a long way to go. Only a few countries have developed effective national strategies for human rights education. There is a big gap between promises made under the Decade and the resources actually committed."

We agree with the Secretary General's comment that "human rights education is much more than a lesson in schools or a theme for a day; it is a process to equip people with the tools they need to live lives of security and dignity." Security and dignity cannot be achieved on empty stomachs, where situations of extreme poverty, hunger and deprivation become the primary concern. Strengthened international cooperation for poverty eradication remains a key ingredient to promotion and protection of human rights, and to promoting human rights education.

Thank you, Mr. President.

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454. Statement by Permanent Representative at the United Nations V. K. Nambiar on "Non-Proliferation of Weapons of Mass Destruction" at the Security Council.

New York, April 22, 2004.

Please see Document No.....

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455. Statement by Ambassador and Permanent Representative at the Disarmament Conference Jayant Prasad.

April 22, 2004.

Mr. Chairman,

On behalf of my delegation, I compliment you, Sir, on your work as Chairman of the current session of the United Nations Disarmament Commission. This task has been far from easy for you and the Members of the Bureau, not because of any lack of exertion, but, regrettably, because we have been unable to arrive at a consensus on our agenda.

Consequently, we have neither commenced the general debate in a substantive way nor done any substantive work on an agenda, which remains undecided. I would like to assure you, Mr. Chairman, of the constructive cooperation of my delegation in seeking a solution to the present impasse, hopefully at the next session of the Disarmament Commission, if not before it.

Under Secretary General Abe presaged some of our difficulties in his opening remarks some three weeks ago. He also cautioned that to deal with the so-called crisis facing the multilateral system of disarmament, the correct response would be not in discard that system, but to strengthen it. He also implicitly warned that no institution working in this area, including the Disarmament Commission could be complacent in this regard, for that would weaken the multilateral system as a whole.

We have a stake in the success of the established multilateral institutions, whose erosion would only create space for more exclusivist approaches. Hastening that process would not be in our collective interest and atrophy of these bodies could have far-reaching implications. The Disarmament Commission, has a unique role; it was envisaged by the first special session of the General Assembly on disarmament (SSOD-I), as one part of the triad of global disarmament machinery, as the only body with universal membership that could engage in in-depth deliberations on relevant issues. India, therefore, attaches importance to the work of the Disarmament Commission and believes that it has continuing relevance and can contribute further to the process of disarmament.

The Disarmament Commission has achieved significant results in the past, including on guidelines on confidence building measures, arms transfers, and verification. SSOD – I, by consensus, laid the basis for an international disarmament strategy in which the Disarmament Commission was given a clear role. It was entrusted with the task of conducting deliberations and submitting recommendations to the General Assembly and through it, to the negotiating body, the present- day Commission on Disarmament. Thus, the task of the Disarmament Commission is to prepare the ground for and to expedite disarmament negotiations by elaborating a general approach to such negotiations.

Notwithstanding the current impasse, there is an abiding sense that this must give way to meaningful and productive work. India has shown considerable flexibility in the Conference on Disarmament in Geneva to agree on a Programme of Work that is balanced and comprehensive. Likewise, we remain committed to the work of the Disarmament Commission.

It is our firm belief that multilateralism is the core principle of the process of disarmament and non-proliferation. Multilateral disarmament institutions can work if all stakeholders demonstrate their commitment through a flexible approach that contributes to commencing our substantive work. In that context, it is important that the agenda of Disarmament Commission reflect the concerns and priorities of all Member States. For its part, India attaches importance to nuclear disarmament, which is consistent with its national policy and that of the Non Aligned Movement (NAM), as expressed in the Final Document of the Kuala Lumpur Summit.

Specifically on the agenda and the proposals before us, we believe the NAM proposals are flexible and wide enough to encompass different perspectives. For instance, in setting the agenda on item 1, on nuclear disarmament, we do not have to revisit all debates between horizontal and vertical proliferation. Those were effectively settled under SSOD- I.

India believes that the threat of terrorism and weapons of mass destruction coming together is a real one, and is clearly an issue of the highest priority for the international community. But there is no need to spell this out in all its specificity in the agenda. In any case, discussions in the Disarmament Commission have real value only when there is a consensus at their end. We could deal with the issue of interpretations and scope of the agenda during the course of our actual work.

We, therefore, hope that delegations will reflect on how the Disarmament Commission can make its contribution and will act in a spirit of flexibility, both individually and as groups, so as to facilitate a consensus in this body.

Thank you, Mr. Chairman.

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456. Letter of Permanent Representative at the United Nations V. K. Nambiar on "Weapons of Mass Destruction" to the President of the Security Council.

New York, April 27, 2004.

Please see Document No. 396

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457. Reaction of the Official Spokesperson to media's query on India's stand on Security Council Resolution on Non-proliferation.

New Delhi, April 29, 2004.

As you know the main focus of the resolution has been on non- state actors and it has called for a number of steps to be taken, both nationally and internationally, to prevent non-state actors from acquiring Weapons of Mass Destruction. The resolution -when you see the text - details various national measures and various international measures. As far as India is concerned, India has expressed its support for the general objectives of the resolution - which is in line with its own initiative, through a general assembly resolution, which has been adopted by consensus for the last two years on "Measures to prevent terrorists from gaining access to WMDs". Accordingly, since it is in line with our initiative, India has articulated its support in the open debate on the Security Council which took place on April 22nd. You will find the full statement of our Permanent Representative on the UN Missions website. Subsequently, while conveying this in a letter to the President of the Security Council our Permanent Representative to the UN has formally placed on record our considered stand on certain aspects in order to safeguard our interests. I can tell you the points on which we have expressed our stand.

We have taken note of the observation of the co-sponsors, which is also reflected in the text, that the resolution does no prescribe adherence to treaties to which a State is not a State Party. We have made clear that India shall not accept any interpretation of the resolution that seeks to impose obligations arising from treaties that India has not signed or ratified, consistent with fundamental principles of international law and the law of treaties.

Secondly, we have also made it clear that India will not accept externally prescribed norms or standards, whatever their source, on matters pertaining to jurisdiction of Parliament, including national legislation, regulations or arrangements which are not consistent with India's constitutional provisions and procedures or are contrary to India's national interests, or infringe on her sovereignty.

At the same time, India has reiterated its unwavering commitment to

contributing to global efforts for preventing the proliferation of Weapons of Mass Destruction and their means of delivery.

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458. Statement by Ambassador and Permanent Representative at the Conference on Disarmament at the open-ended Working Group to Negotiate an International Instrument to Enable States to Identify and Trace, in a timely and reliable manner, illicit arms and light weapons.

June 16, 2004.

(Statement made at the Open-ended Working Group to Negotiate an International Instrument to Enable States to Identify and Trace, in a Timely and Reliable Manner, Illicit Small Arms and Light Weapons)

It is late into the third day of our session, but I would still like to congratulate you, Mr. Chairman, on your leadership of the Open-ended Working Group to Negotiate an International Instrument to Enable States to Identify and Trace, in a Timely and Reliable Manner, Illicit Small Arms and Light Weapons. I would also like to thank you for giving me the floor to make a general statement at this hour. The objective of the task before us, and that of your leadership, is well encapsulated in the very title of our meeting. I wish you success in this endeavor and assure you of the fullest cooperation of the Indian delegation. My delegation hopes to secure finalization of an instrument by the end of the three substantive sessions of the Working Group that have been provided for this purpose.

I would like to commend your initiative in undertaking informal consultations even prior to the commencement of the first session of the Working Group and in elaborating a non-paper to kick start our work. The paper disaggregates the principal elements we shall have to consider in elaborating an instrument and identifies both the areas of common practice and understanding and the gaps that remain to be addressed. Our delegation very much appreciates this effort and hopes that it would catalyse fresh ideas on how we can proceed further.

India has accorded high priority to the problem of proliferation and misuse of illicit small arms and light weapons and is committed to their eradication. You are aware, Mr. Chairman, how closely we have followed this issue at relevant fora within the United Nations and outside, and have actively contributed to cooperative international efforts in addressing this multifaceted problem, including in the drafting of the report of the Group of Governmental Experts, finalized last year.

The international community is well aware of the consequences of the spread of small arms and explosives: the manner in which these can disrupt social harmony and stability, derail pluralism and democracy, and stymie growth and development. In certain areas there are important linkages between illicit trade in small arms and light weapons, illicit exploitation of natural and strategic resources, and trade in narcotic drugs. Some societies have been driven to civil war, if not to serious civil strife as a result of such trade.

We, in India, are particularly conscious of the destructiveness of illicit small arms and light weapons. Over the past two decades, many innocent civilians have fallen victim to terrorists using illicit arms, weapons and explosives. Since 1990, the Government of India has seized close to 40,000 weapons of all types. Their markings indicate the unmistakable source of their origin outside India. The seizure of illicit arms and explosives by our security forces constitute only a fraction of the quantity of weapons to which terrorists have access – it seems enough to equip a few divisions of a regular army. These numbers demonstrate the magnitude of trafficking in illicit arms confronting law abiding societies.

Multilateral disarmament efforts have had few successes in recent years. It is heartening, however that in addressing the issue of small arms and light weapons, the international community has made steady progress. The 2001 United Nations Conference succeeded in placing this issue firmly on the international agenda. The Programme of Action, adopted by consensus, though modest, marked a significant step forward. Member States of the United Nations committed themselves to strengthening and developing agreed norms and measures that would reinforce and further coordinate their efforts in this area. Thereafter, and thus far, the entire process of handling the tracing of illicit small arms and light weapons and encouraging international cooperation in this regard has been both on track

and on schedule. The UN General Assembly mandated the Secretary General to undertake a study on examining the feasibility of developing an international instrument on the subject at its 56th session. The 23 governmental experts appointed for this undertaking completed their designated task in three sessions allotted to them in 2002-03. India had the honour of chairing this Group, whose unanimous recommendation was that it was both desirable and feasible to commence work, within the United Nations, on an international instrument to enable States to identify and trace, in a timely and reliable manner, illicit small arms and light weapons.

There exist, no doubt, some international agreements that deal specifically with the issue of tracing, including marking, record keeping and co-operation on weapons. These include the Protocol against the Illicit Manufacturing of and Trafficking in Firearms, Their Parts and Components and Ammunition, supplementing the United Nations Convention against Transnational Organised Crime (the Firearms Convention), adopted in May 2001, and the Convention on Prohibitions or Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects (known popularly as the Inhumane Weapons Convention), in particular its Amended Protocol II. India is party to both these instruments and is committed to their effective implementation. However, we also recognise that these instruments are severely limited in their scope.

As such, the present discussions become particularly important. In our negotiations on an international instrument for timely and reliable tracing of illicit small arms and light weapons, we should try to overcome the limitations of the existing instruments. Our aim should be to help to clarify, develop and strengthen common international standards and practices with respect to the marking of and keeping of records and cooperation in tracing illicit small arms and light weapons. While working towards such an instrument, we should also ensure that the instrument is complementary to existing arrangements; is consistent with States' existing commitments under relevant international instruments; and takes into account broader national security and legal interests of States Parties. The UN Programme of Action, especially its provisions with regard to marking and record-keeping, provides us a useful guide.

There are a number of issues which will need to be addressed in the

course of our deliberations: for instance, the scope of the definition of small arms and light weapons; what constitutes "illicit"; differences in practices of marking and record- keeping among States, to mention just a few.

The Group of Governmental Experts has evidently, done commendable work and its report provides us with a firm basis to start our deliberations. We must, therefore, build on that. While marking and record keeping are national prerogatives and should continue to remain so, in our discussions, we should try to come up with minimum acceptable standards on marking and record-keeping of small arms and light weapons, on the basis of existing national practices, which all States could adhere to. In this context, we would also need to factor in the fact that international assistance might be essential for enabling certain States to adhere to such minimum standards.

Another crucial element pertains to fostering international co-operation in tracing. Here again, on the basis of existing national practices we may be able to identify common practices, which would enable development of standard international procedures for co-operation in tracing. We also see the need to strengthen the effectiveness of Interpol's International Weapons and Explosive Tracking System (IWETS).

So far as our national practices are concerned, we have, as stated in our National Report on the implementation of UN Programme of Action, put in place strict laws and regulations (under Arms Act 1959 and Arms Rules 1962), which prohibit the manufacture, possession, trade of unmarked or inadequately marked weapons. All small arms produced or manufactured in India are uniquely marked. This applies to arms that are produced for both private and personal use and those which are used by the armed forces, police or para-military forces. Similarly, detailed records are required to be kept by law by all manufacturers and dealers of every weapon manufactured or sold by them. The competent authorities regularly verify these records.

India has always called upon the international community to develop a comprehensive tracing system. A collective approach alone will guarantee effective traceability and promote transparency. It will also give a political signal that all of us are determined to join hands to take forward our common commitment to implement the UN Programme of Action. This will check the availability and use of illicit small arms and light weapons in fuelling and

sustaining conflicts and subversive acts by not-states actors, including criminals, terrorists, and armed insurgents. It is our hope that the deliberations of the Working Group would lead to consensus on a broader range of issues as this would constitute an important step in our collective efforts to make further progress in addressing the multifaceted challenge posed by illicit small arms and light weapons.

As with other disarmament negotiations, our challenge in evolving a new instrument is to bring in consonance with each other, state security concerns, humanitarian considerations, and regard for international standards and principles. My delegation hopes our discussions would contribute to fruitful work in this direction, even in the course of our current session. We are confident that the good sense, expertise and wisdom of the delegations participating in this exercise will allow our work to reflect the concerns and priorities of all the Member States involved, as also the concerns and expectations of the wider international community. For this, delegations will have to a manifest, necessarily, a flexible and constructive approach. My delegation, Mr. Chairman, is ready for it.

On the debate on the nature of the final instrument, as it will emerge at the end of the three sessions that have been provided for it, this can be decided as discussions evolve. As in the case of the Protocol on Explosive Remnants of War, which we finalized last year (Protocol V), the most efficacious way is to let the nature of the instrument evolve as the specific provisions of the instrument are developed. This would ensure progress in our work and provide for innovative solutions.

I thank you for your attention.

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459. Statement by Member of the Indian Delegation to the United Nations Kirip Chaliha MP on Agenda Item: "Effects of Atomic Radiation" at the Fourth Committee.

New York, October 18, 2004.

Please see Document No. 423.

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460. Statement by Ambassador and Permanent Representative to the Conference on Disarmament Jayant Prasad on Introduction of the resolution "Convention on the Prohibition of the use of Nuclear Weapons" in the First Committee.

New York, October 19, 2004.

Please see Document No. 425.

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461. Statement by Permanent Representative and Ambassador to Conference on Disarmament Jayant Prasad on introduction of the resolution "Reducing Nuclear Danger" in the First Committee.

New York, October 19, 2004.

Please see Document No. 426.

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462. Statement of the Member of the Indian Delegation to the United Nations Ravi Prakash Verma MP on Conventional Weapons in the First Committee.

New York, October 21, 2004.

Please see Document No. 429.

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463. Statement by Member of the Indian Delegation to the United Nations Ravi Prakash Verma MP to introduce the Resolution "The Role of Science and Technology in the context of International Security and Disarmament" in the First Committee.

New York, October 22, 2004.

Please see Document No. 430.

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464. Statement of Ambassador and Permanent Representative to the Conference on Disarmament Jayant Prasad on Introduction of the resolution "Measures to prevent terrorists from acquiring weapons of mass destruction"in the First Committee.

New York, October 22, 2004.

Please see Document No. 431.

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465. Explanation of Vote before the vote by Ambassador and Permanent Representative at the Conference on Disarmament Jayant Prasad on Agenda Item: 65: L.50 The Huge Code of Conduct against Ballistic Missile Proliferation.

New York, October 26, 2004.

Mr. Chairman,

While the Indian delegation acknowledges the positive intentions of the co-sponsors of this Resolution, India intends to abstain on the Resolution because it believes in arms control and disarmament measures that are transparent, equitable and non-discriminatory and in which all Member States of the United Nations are part of the process.

India has suffered from the adverse effects of proliferation, including in the area of missiles, and is determined to maintain its exemplary record in safeguarding its sensitive technologies.

Disarmament and non-proliferation must be pursued to create a new system of comprehensive global security, for which strengthening of the United Nations system is essential. This objective cannot be served in the best manner possible through exclusivist, ad-hoc and club-based approaches, but through multilateral engagement and negotiations.

An inclusive approach will allow for the subject to be dealt with in a comprehensive manner. It will also validate and reinforce the commitment of the larger number of States that would participate in such a process.

I thank you Mr. Chairman.

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466. Explanation of Vote after the vote by Member of the Indian Delegation to the United Nations Ravi Prakash Verma MP on Agenda Item 65 (j): L.46 Conventional arms control at the regional and sub-regional level.

New York, October 27, 2004.

Please see Document No. 433.

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467. Explanation of Vote after the vote by Member of the Indian Delegation Ravi Prakash Verma MP on Agenda Item 68: L.37 The Risk of Non-proliferation in the Middle East.

New York, October 27, 2004.

Please see Document No. 435.

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468. Explanation of Vote by Ambassador and Permanent Representative to the Conference on Disarmament Jayant Prasad on Agenda Item 65(f): L.19/Rev.1 Mongolia's International Security and Nuclear-Weapon-free status.

New York, October 28, 2004.

Mr. Chairman,

The resolution on Mongolia's international security and nuclear weapon-free status, adopted without a vote, has India's full support.

India's maintains the most friendly and fraternal ties with Mongolia and welcomes the many steps Mongolia has taken to reinforce its nuclear weapon-free status. We note that Mongolia has received support and security assurances for such status from Member States, particularly those that possess nuclear weapons. We note also that Mongolia is seeking to institutionalise, at the international level, the status of its territory as a nuclear weapon-free zone. India fully respects the choice made by Mongolia and is willing to respond, whenever required, with every possible support and commitment to Mongolia's nuclear weapon-free status.

I thank you Mr. Chairman.

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469. Explanation of Vote after the vote by Ambassador and Permanent Representative to the Conference on Disarmament Jayant Prasad on Agenda Item 65: L.23 A path to the total elimination of nuclear weapons.

New York, October 28, 2004.

Mr. Chairman,

Even though India agrees with the basic objective of the Resolution - the complete elimination of nuclear weapons - the Indian delegation voted against it because of the flawed means recommended to pursue this objective.

India also agrees that nuclear disarmament and nuclear non-proliferation are intertwined and mutually reinforcing. However, we consider the principles of nonproliferation, as enshrined in the Nuclear Non-Proliferation Treaty, to be discriminatory.

Moreover, operative paragraph 1 of this resolution calls upon India to join the NPT as a Non-Nuclear Weapon State. This is unrealistic and unacceptable. India is prepared to go beyond this divisive debate and remains committed to working for equal and legitimate security for all through global disarmament.

Thank you.

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470. Explanation of Vote by Ambassador and Permanent Representative to the Conference on Disarmament Jayant Prasad on Agenda Item 65 (t): L.22 – Towards a nuclear weapon-free world: Accelerating the implementation of nuclear disarmament commitments.

New York, October 28, 2004.

Mr. Chairman,

I have taken the floor to explain India's voting on three resolutions under Cluster I: L-22, L-23 and L-19/Rev1.

Prior to so doing, I have to seek a clarification from the Chair and, if necessary, through the Chair to the Swedish delegation, concerning the title of the Resolution contained in document L-22. I thought I heard my Swedish colleague introduce the Resolution with the following title: "Toward a nuclear weapons-free world: Accelerating the implementation of nuclear disarmament commitments." Document L-22, however, only has the phrase "Accelerating the implementation of nuclear disarmament commitments," which is the sub-title of the Resolution. Today, we have before us the Informal Paper 3 and 3/Rev1 concerning the programme for the business before the First Committee.

These two documents state that the Resolution has the title: "A New Agenda: accelerating the implementation of nuclear disarmament commitments." We do not know where this came from. We do not believe in a new agenda. My delegation rather liked what my Swedish colleague had earlier said. Could you clarify the situation, Mr. Chairman?

[Sweden thereupon clarified that the Indian understanding was the right one, but since the document L-22 had been published in all languages, the Swedish delegation did not insist on bringing out a Rev document containing the words "Toward a nuclear weapon- free world." It was clear that the use of the words by the secretariat in its information document was incorrect. Following this clarification, we proceeded with the main part of the explanation of vote after the vote.]

Mr. Chairman,

We compliment the co-sponsors of L-22 for having considerably shortened

their Resolution and for having removed many of the prescriptive suggestions that were not central to the principal objective of the Resolution, which we share. India believes that moves towards the creation of a nuclear weapons-free world has to be grounded on the prevailing consensus, contained in the Programme of Action of First Special Session of the General Assembly devoted to disarmament, to which all the then Member States of the United Nations were party. This approach is still not fully reflected in L-22.

Given that the Resolution seeks a nuclear weapons-free world, we would have preferred references in it to no first use of nuclear weapons, as also to reduction of nuclear dangers, including through measures such as de-alert.

We also believe that efforts to create a nuclear weapons-free world will be constrained by the intrinsic inequality and discriminatory framework of obligations enshrined in the Nuclear Non-Proliferation Treaty. The need, instead, is to move towards a more durable system of international security, based on the principle of equal and legitimate security for all.

It is for these reasons that the Indian delegation has voted against operative paragraph 2 and abstained on the Resolution as a whole.

Thank you Mr. Chairman,

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471. Statement of Minister of State Rao Inderjit Singh on "Report of International Atomic Energy Agency" at the General Assembly.

New York, November 1, 2004.

Please see Document No. 438.

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472. Explanation of Vote (After the vote) by First Secretary at the Permanent Mission of India to the Conference on Disarmament Muktesh Pardeshi on Agenda Item 65 (s) – Nuclear Weapon-free Southern Hemisphere and adjacent areas.

New York, November 1, 2004.

Mr. Chairman,

My delegation has requested the floor to explain our vote on operative paragraph 5 of the Resolution on Nuclear weapon-free southern hemisphere and adjacent areas.(L.41) The Resolution recognizes, in its operative paragraph 5, the well-established principle for the establishment of nuclear weapon-free zones - that these zones must be established on the basis or arrangements freely arrived at among the States of the region concerned. However, this is immediately contradicted by the pointed reference calling on all States to consider establishing nuclear weapon-free zones, inter-alia, in South Asia. A proposal for a NWFZ in South Asia, logically, has no more validity than NWFZs in East Asia, Western Europe or North America. We have, therefore, voted against this paragraph and have abstained on the Resolution as a whole.

Thank you.

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473. Explanation Vote (after the vote) by First Secretary at the Permanent Mission of India to the Conference on Disarmament Muktesh Pardeshi on Agenda Item 65 (x) Nuclear Disarmament.

Geneva, November 1, 2004.

Mr. Chairman,

My delegation has requested the floor to explain our vote on Resolution Nuclear disarmament as contained in L.26.

India has unwavering commitment to nuclear disarmament and the complete elimination of nuclear weapons. India was supportive of the Resolution until the year 2000, after which it incorporated references to the Nuclear Non-Proliferation Treaty, on which my delegation's position is well known.

While we have abstained on this resolution, our vote does not detract in any manner from India's strong support for the longstanding positions of Non-aligned Movement and Group of 21 on nuclear disarmament, which we share with Myanmar and other sponsors of this Resolution.

I thank you, Mr. Chairman.

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474. Explanation Vote (after the vote) by First Secretary at the Permanent Mission of India to the Conference on Disarmament Muktesh Pardeshi on agenda Item 65 (v) Implementation of the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-personnel Mines and on their destruction.

New York, November 1, 2004.

Mr. Chairman,

While India has abstained on this Resolution (as contained in L-40/ Rev. 1), it remains committed to a non-discriminatory, universal and global ban on anti-personnel landmines that addresses the legitimate defence requirements of States, while ameliorating the critical humanitarian crisis that has resulted from an indiscriminate transfer and use of landmines.

India believes that a phased approach commends itself as a confidence-building measures, enabling States, especially those that have long and difficult borders, to safeguard their legitimate security needs. The process of complete elimination of anti-personnel mines will be facilitated by the availability of appropriate militarily-effective and non-lethal alternative technologies that can perform, cost-effectively, the legitimate defensive role of anti-personnel landmines.

India has played an active role in the CCW process and has ratified its protocols, including Amended Protocol-II on landmines and has discontinued, since 1997, the production of non-detectable anti-personnel landmines.

India will support negotiations in the Conference on Disarmament for a ban on transfers of anti-personnel landmines on the basis of a mandate that reflects the interests of all delegations.

I thank you, Mr. Chairman.

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475. Explanation Vote by First Secretary at the Permanent Mission of India to the Conference on Disarmament Muktesh Pardeshi on Agenda Item 59: L.33 Verification in all its aspects.

New York, November 1, 2004.

Mr. Chairman,

India has consistently supported effective verification as an essential element of all disarmament and arms control agreements.

India has proposed a single, integrated multilateral verification system under the aegis of the United Nations as an integral part of a strengthened multilateral framework required to ensure peace and security during the process of general and complete disarmament, including the complete elimination of nuclear weapons. This was conceived as part of a new system of comprehensive global security. Augmenting UN's verification capacity is, thus, intrinsically linked to progress on a phased but time-bound programme of disarmament.

A verification mechanism cannot exist in the abstract and should be linked to specific legal instruments on arms control and disarmament. Major disarmament and non-proliferation instruments such as the Nuclear Non-Proliferation Treaty, the Chemical Weapons Convention and the Comprehensive Nuclear-Test-Ban Treaty provide for verification mechanisms and institutions to implement these provisions in order to verify compliance of the States Parties to these instruments. India is in favour of inclusion of provision of adequate and effective verification mechanism in the Biological and Toxin Weapons Convention.

Moreover, the United Nations Disarmament Commission had considered the issue of verification in all its aspects thoroughly and had enunciated sixteen principles of verification following its deliberations. The UNDC underlined that verification is not an aim in itself but an essential element in the process of achieving arms limitation and disarmament agreements. In view of UNDC's work and the report of the UN panel of government experts on verification in all its aspects in 1995, it may be premature to recommend the establishment of a panel of government experts to explore the same issues. However, in view of the Sponsors' call

to adopt the Resolution without a vote, the Indian delegation has joined the consensus.

I thank you, Mr. Chairman.

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476. Explanation of Vote by First Secretary at the Permanent Mission of India to the Conference on Disarmament Muktesh Pardeshi on Agenda Item 65 (m): L.45/ Rev. 2 Confidence Building Measures in the regional and sub-regional context.

New York, November 3, 2004.

Mr. Chairman,

The Indian delegation has taken the floor to explain its position on the resolution 'Confidence-building measures in the regional and sub-regional context' as contained in document L.45/Rev.2 which has just been adopted without a vote.

India believes that confidence building measures can play a significant role in establishing an atmosphere of trust, cooperation and confidence, which in turn are conducive to the resolution of outstanding issues through peaceful means. We are joining the consensus in keeping with the importance we attach to confidence building measures.

We acknowledge the improvements in the text of L.45/Rev.2 as compared to the resolution 58/43 adopted last year, which presented concepts not in keeping with the generally accepted principles on confidence building measures. Our joining the consensus today should not be seen as support to the resolution 58/43 to which the text of the present resolution makes reference in preambular paragraph-2.

Thank you.

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COMMISSION ON HUMAN RIGHTS

Sixtieth Session of the Commission on Human Rights. Geneva.

477. Statement of Foreign Secretary Shashank.

Geneva, March 18, 2004.

Mr. Chairman,
Acting High Commissioner for Human Rights,
Excellencies,
Ladies and Gentleman.

On behalf of the Government of India, I would like to congratulate you on your election as the Chairperson of the 60th session of the Commission on Human Rights. We are confident that under your able guidance this Session will be a productive one.

We miss today the presence of Sergio Veira de Mello, a valiant flag-bearer of the principles for which the United Nations stands, who gave his life for the defense of human rights and humanitarian service.

We congratulate Justice Louis Arbour on her appointment as the next High Commissioner for Human Rights. She will have the full support of India in her work to promote and protect human rights worldwide. I would also like to pay tribute to Mr. Bertrand Ramcharan for his steadying hand and stewardship of the Office of the High Commissioner during one of its most difficult periods.

Mr. Chairman,

Among Mahatma Gandhi's greatest influences on the leaders of our freedom struggle was the precept that it was not good enough to have a good objective, it was equally important that the means of attaining those objectives were good; means were always as important as ends. The framers of our Constitution therefore never accepted the argument that there was a trade off between civil and political rights on the one hand and economic, social and cultural rights on the other. They saw democracy and the values that go with it, not as an obstacle to the fight against poverty and the development of the country, but as the only durable and sustainable framework within which the welfare of the people can be ensured.

Democracy in India has stood the test of time. As a secular, pluralistic society, where every citizen is equal under the law, India eloquently demonstrates why no country should accept a lesser system. In a few weeks from now, an electorate of over 600 million Indians will participate in the largest exercise of the right to universal adult franchise in the world. This is testimony not only to the resilience of our Constitution, but also to strength of those other pillars of what the High Commissioner for Human Rights has described as the national protection system – a free press, an independent judiciary, and an accountable executive.

As one of the members of its Convening Group, we encourage other participants of the Community of Democracies to work to promote the values of tolerance, compromise and respect for pluralism at this Session of the Commission on Human Rights.

The development of international human rights instruments has been one of the singular achievements of the United Nations. The Commission on Human Rights has evolved a long way since its original mandate as a body established for standard setting in different thematic areas relating to human rights. A complex human rights edifice has taken shape over the last six decades. Yet the Commission's credibility and effectiveness are in question today.

We have to ask ourselves whether the concerns and aspirations of the vast majority of the United Nations membership which belong to the developing world have not been lost sight of in the working of the Commission. These are countries faced with the challenges of harnessing their resources, natural and human. Human rights mechanisms and structures, therefore, need to exhibit their ability to differentiate between countries which fulfill the basic obligations of human rights standards and those which engage in patterns of consistent and gross violations of human rights. There need be no inevitability about the politicisation of the Commission. Politicisation takes place when there is an absence of those attributes at the inter-state level which we seek to promote within States – democracy, transparency, and equality. Human rights cannot be used as an instrument of foreign policy. Measures that we adopt have to be proportional to the infirmities that they seek to address.

The foremost challenge before the international community continues to be that of development. Strategies of development and poverty alleviation are by themselves the means to promote human rights. We therefore

commend the Acting High Commissioner for stating at the very outset of his Report to the 60th Session of this Commission that "the struggle against poverty must remain at the forefront of the human rights agenda."

Last year the Indian economy grew by more than 8%. Yet we are conscious that more than two thirds of our population lives in rural areas. It is in recognition of this that President Abdul Kalam has emphasized the need for the benefits of growth to speedily reach the rural population through development programmes such as PURA – Providing Urban amenities in Rural Areas.

States have duties and obligations to each other, just as much as they have duties and obligations to their citizens. The resources of this Commission should also be channeled for the provision of technical cooperation and advisory services to states which require them. This will engender engagement and cooperation, instead of rejection and confrontation. The areas which should be accorded high priority are the creation and strengthening of national human rights institutions, the judiciary, and human rights education.

India is trying to play its part in fulfilling its international obligations. In recent months, we have offered to assist in the setting up of a SAARC Poverty Alleviation Fund. We have launched a regional cooperation mechanism with eight countries of West Africa called TEAM-9, i.e. Techno-Economic Approach for Africa-India Movement for which we will provide concessional credit facilities for financial assistance for the various projects and schemes. A few days ago India, Brazil and South Africa decided to establish an IBSA facility for poverty and hunger alleviation through a dedicated trust fund within UNDP aimed at contributing, in a concrete manner, to poverty and hunger alleviation, in a framework of improved international cooperation, including towards the implementation of the millennium development goals.

Today states are confronted with the challenge from terrorism. Ensuring the security of its people is the first responsibility of a government, and the state is the first line of defense against terrorism. As Article 30 of the Universal Declaration of Human Rights spells out, no State, nor group nor person has the right to engage in any activity or to perform any act aimed at the destruction of any of the rights and freedoms set forth in the Declaration. Terrorist acts are frontal assaults on the most basic human

rights, life and liberty. Terrorism has to be fought internationally by the community of civilized nations for which States must have the requisite means at their disposal. At the same time, counter-terrorism measures should preserve the rule of law, protect human rights and sustain democracy.

During the last more than two decades, terrorism has claimed the lives of thousands of innocent men, women and children in India. We understand and share the pain of the people of Spain and Iraq over the senseless attacks in the last few days. The Commission on Human Rights owes a special responsibility to recognize and address the rights of the victims of terrorism.

The development of new international normative instruments, procedures and mechanisms should be based on a careful evaluation of needs and requirements rather than be driven by domestic agendas. Where necessary, such initiatives should be accompanied by the augmentation of resources at the national level by the international community so as to enable states to meet their commitments. If national capabilities are inadequate or deficient, the gap between standards and implementation will remain, if not widen. The Commission should enhance its ability to synthesize competing demands on its limited resources and avoid the danger of over - burdening its agenda and the human rights machinery.

Mr. Chairman,

India is proud of its achievement in nurturing a diverse, multi-religious, multi-faceted society. It is therefore a matter of particular concern to us to see continuing and newly emerging trends of exclusivity, intolerance, and religious extremism. These are issues which require serious reflection, especially when they afflict the most advanced amongst us. Governments have to provide more than an enabling environment for emancipation of the most vulnerable groups to make it an irreversible process. Women have to be empowered, children have to go to school, and minorities need to be made secure, and all of them have to become an intrinsic part of societal advancement.

India will continue to play its part and contribute to the realization of the ideals enshrined in the International Bill of Human Rights.

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478. Statements made by Ambassador and Permanent Representative at the European Headquarters of the United Nations Hardeep Singh Puri at the 60th session of the Commission on Human Rights.

Geneva, March 15 - April 23, 2004.

i. AGENDA ITEM 5: The right of people to self-determination and its application to peoples under colonial or alien domination or foreign occupation

(March 19, 2004)

Mr. Chairman,

The emancipation of colonial and dependent countries and peoples was made possible due to the success of the struggle for freedom against British rule in India. India helped change the world.

India's commitment to the right to self–determination, whereby peoples under alien subjugation, domination and exploitation can freely determine their political status and freely pursue their economic, social and cultural development is therefore firm and abiding.

As we look back we can derive satisfaction from the long road that we have travelled since that time. One glaring and unfortunate exception is Palestine. India remains steadfast in its support for and solidarity with the people of Palestine, as they struggle to realise the inalienable right of self-determination.

The colonial era which characterised the early part of the last century has ended. The United Nations recognised the changed realities of the post-colonial world and the new and different challenges before the international community.

The Declaration on Principles of International Law concerning Friendly Relations and Cooperation Among States adopted in 1970, and subsequently the Vienna Declaration and programme for Action adopted at the World Conference on Human Rights in 1993 addressed themselves

to the question of self-determination. They asserted that the right of self determination shall not be construed as authorising or encouraging any action which would dismember or impair, totally or in part, the territorial integrity or political unity of sovereign and independent States conducting themselves in compliance with the principle of equal rights and self determination of peoples and thus possessed of a Government representing the whole people belonging to the territory without discrimination of any kind. It has also been recognized that any attempt aimed at the partial or total disruption of the national unity and territorial integrity of a State or country or at its political independence is incompatible with the purposes and principles of the UN Charter. The principle of equal rights and self-determination of peoples enjoins that every State shall refrain from any action aimed at the partial or total disruption of the national unity and territorial integrity of any other State or country.

In today's world the right to self-determination is characterised by the following distinguishing features:

- the right of the whole people to participate in freely held elections and govern themselves through a representative government;

- the right to collectively participate in all walks of national life and national decision-making through democratic institutions;

- the achievement of all fundamental rights on the basis of full equality and non-discrimination, including for religious, ethnic, linguistic and other minorities;

- the full exercise of fundamental freedoms, and respect for universal human rights norms and principles, including those of tolerance and pluralism;

- the right to independence of action and opinion

It is fundamental principle of law that with freedom comes responsibility. No right, including right to self-determination, should be used as an instrument to promote subversion and erode the political cohesion or territorial integrity of Member States of the UN. The right to self-determination cannot be abused to encourage secession and undermine pluralistic and democratic states. Ethnic or religious segregation and chauvinism cannot be legitimised on the specious ground that societies need to be constituted

on homogenous lines before they can be tolerant towards diversity and accept multi-culturalism. Such a view will only result in legitimising forces of extreme nationalism and narrow chauvinism. In any event, the right of self determination, cannot be invoked as a smoke screen for opportunistic attempts at territorial aggrandisement through terrorism and violence.

Thank you.

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ii. AGENDA ITEM 6: RACISM, RACIAL DISCRIMINATION, XENOPHOBIA AND ALL FORMS OF DISCRIMINATION.

(March 22, 2004)

Mr. Chairman,

Mahatma Gandhi launched his political career through Satyagraha or "truthful struggle" against racist policies in South Africa. In 1946, India was the first country to raise its voice against apartheid at the United Nations. India regards racism and racial discrimination as the anti-thesis of everything humanity stands for - equality, justice, peace and progress.

As a nation which has been in the forefront of the international fight against racism and racial discrimination, India is deeply concerned over the recrudescence of racism, xenophobia, and exclusivism in the world in the last few years. This is all the more worrisome following the progress that was made at the World Conference against Racism, Racial Discrimination, Xenophobia and Related Intolerance in Durban. It is imperative more than ever before to focus on the implementation of the Durban Declaration and Programme of Action without wasting time on sterile debates on issues on which consensus could not be reached in Durban.

After the indifferent attitude shown by many countries to the Working Group on the follow up of the Durban Declaration and Programme of Action during its first Session, we are encouraged by the higher degree of engagement and broader participation at the Working Group's Second Session. We endorse the approach that has been adopted by the Chair in implementing the mandate of the Working Group. India fully supports the

thematic framework adopted by the Working Group, and welcomes the progress that was achieved during the Second Session. We look forward to continuing inputs from the Committee on the Elimination of Racial Discrimination to the Working Group on the follow up of the Durban Conference.

The first meeting of the independent eminent experts on the implementation of the Durban Declaration in September 2003 is another positive development since the last session of this Commission. Many of the views contained in document E/CN.4/2004/112 are those we can readily identify with. These include the focus on access to education, access to justice, the role of the youth, civil society and the media, eradication of poverty and the importance of a "culture of compliance". Above all, we agree with central role of the existing international legal framework and the need for universal ratification and full implementation of the International Convention on the Elimination of all Forms of Racial Discrimination.

Mr. Chairman,

Besides theories of racial superiority, that are a legacy of the colonial era, some other important sources and causes of racism and racial discrimination are: glaring economic disparities amongst various parts of the globe which sustain and strengthen racist attitudes; the onslaught of bigotry, chauvinism and violence on diversity, pluralism and tolerance; absence of democracy, constitutional order and rule of law; political concepts in which foreigners are regarded as rivals or competitors and a threat to local prosperity, culture and identity; immigration, citizenship and refugee laws with racist overtones and political platforms based on race related hatred and discrimination. Equally condemnable are instances of oppression, backed by states in some cases, of national, sectarian and linguistic minorities. Modern communication technologies, including the Internet, are becoming increasingly vulnerable to misuse by the purveyors of racial hatred.

We have seen the study presented by the Special Rapporteur, Mr. Doudou Diene contained in document E/CN.4/2004/61. We cannot see how the reference to the caste system in India fits into a study on "Political platforms which promote or incite racial discrimination". The national platform on which the Indian freedom struggle was based, and on which the Constitution of India rests, is entirely to the contrary. If anything, the evolution

of Indian political thought, and that of the legal and administrative framework in the last more than five decades has been precisely in the direction of proscribing discrimination on any ground, including race and caste.

The magnitude and scale of the affirmative action that has been undertaken, and the policy instruments developed by the Indian Government to address the caste issue has no parallel in the world. There is no dearth of findings which illustrate the progress that has been achieved in the social, educational, economic and political spheres as a result of these multi-pronged efforts. There is similarly acknowledgement that a lot more has to be done.

There is similarly a high level of Government commitment to address the welfare of the Scheduled Tribes in India. Apart from the myriad legal and administrative instruments and provisions that have existed and been further strengthened since independence, a separate Ministry for Tribal Affairs was created in 1999 and a Department of Development of North Eastern Region was created in 2001.

The Tenth Five Year Plan of the country for the period 2002-2007 indicates the extent of resources that have been earmarked for the Scheduled Castes and Tribes since the start of the planning process, the progress achieved in the economic, social and political indicators, and the programmes and targets for the next five years.

It also bears clarification that the term 'caste' denotes a 'social' and 'class' distinction which has its origins in the fundamental division of Indian society during ancient times. The use of the term 'descent' in the Convention on the Elimination of all Forms of Racial Discrimination refers to 'racial descent'. Communities which fall under the definition of Scheduled Castes and Scheduled Tribes are unique to Indian society and its historical process and do not come under the purview of Article 1 of the Convention.

Mr. Chairman,

We are firmly against the stereotyping of any religion. At the same time, we must guard against self-proclaimed defenders of religious faiths. India is home to almost all religions of the world, including the second largest Muslim population. It is absolutely clear to us that true respect for all religions comes only with genuine respect for democracy, tolerance and pluralism.

As one of the most complex and diverse societies in the world, India is fully conscious of its responsibility to make a substantial contribution to the fight against racism. We will work tirelessly to ensure that our shared vision and conviction of an egalitarian global family is translated into reality.

Thank you.

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iii. AGENDA ITEM 7: THE RIGHT TO DEVELOPMENT.

(March 23, 2004)

Mr.Chairman,

My delegation aligns itself with the statements made by the Nonaligned Movement and the Like Minded Group under this Agenda item.

Over 50 years after the adoption of the Universal Declaration of Human Rights, we are nowhere close to realising the goal of "inherent dignity of man", promised in that Declaration, for millions of poor around the globe. The vision of the Universal Declaration placing equal importance on freedom from fear as well as from want remains largely unfulfilled. The importance of the Right to Development, which represents a synthesis of civil, political, economic, social and cultural rights, lies in enabling the international community to address these important issues effectively.

The Vienna Declaration and Programme of Action re-affirmed that the Right to Development, as established in the 1986 General Assembly Declaration, is a universal and inalienable right and an integral part of fundamental human rights.

We also believe that rights are entitlements that require co-related duties and that the realisation of the Right to Development can be ensured only if the existence of corresponding obligations is acknowledged both at the national and international levels.

The realisation of the Right to Development requires first and foremost effective policies at the national level. States have the primary responsibility and obligation of adopting policies, setting priorities and allocating resources

for the realisation of the Right to Development. In our view democracy, transparent, accountable and participatory governance alone can ensure that the actions of States in this area are in the best interests of the people. The function of the watchdog can be performed only by the people of the country who are the best judge of their needs. Prescriptive norms imposed from outside are counter-productive and contrary to the sovereign equality of States recognised in the Declaration.

It needs to be stressed that a rights-based approach to development or the mainstreaming of human rights in development is a concept distinct from the mainstreaming of the right to development in the promotion and protection of all human rights. Each has its place, but the one cannot subsume the other. We have to keep this distinction in mind while promoting the realisation of the right to development.

Equally important for realisation of the Right to Development are equitable economic relations, a conducive economic environment and cooperation at the international level. Article 3(3) of the Declaration on the Right to Development provides that States have the duty to cooperate with each other in ensuring development and eliminating obstacles to development. Article 4(1) also talks of the duty of States to take steps, individually and collectively, to formulate international development policies with a view to facilitating the full realisation of the Right to Development.

Mr. Chairman,

Developing countries continue to remain starved of resources required for realisation of the Right to Development. More importantly, the world today is a global village where national boundaries no longer guarantee that a country will be invulnerable to external financial and economic influences. We take note of the positive contribution towards the realisation of this right already being made by the UN system and other international bodies. At the same time, we believe that this work needs to be adapted better to the imperatives of the Right to Development and much more needs to be done at the international level.

This has been recognised repeatedly at the Summits in Vienna, Copenhagen, Cairo, Beijing, Monterrey, Doha, and Johannesburg, not to mention the Millennium Development Goals. These Summits reflect the international consensus that exists at the highest level. It is our responsibility

as members of this Commission to contribute to the effective implementation of these decisions in so far as they impact on the Right to Development.

India attaches great importance to the Working Group on the Right to Development. We are encouraged by the greater engagement and broader participation of delegations at the last session of the Working Group, and hope that the spirit of dialogue will continue to imbue the consideration of the Right to Development in the Commission on Human Rights, as well as in other relevant fora of the United Nations. India looks forward to the first meeting of the High Level Task Force that has been recommended by the Working Group. We trust that the Task Force will be the beginning of the process of the implementation of the Right to Development.

We would also take this opportunity to record our appreciation for the valuable work done by the Independent Expert, Professor Arjun Sengupta and his contribution to the articulation of the various dimensions of the Right to Development, which has helped the Working Group in his deliberations

Thank you.

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iv AGENDA ITEM 8: QUESTION OF THE VIOLATION OF HUMAN RIGHTS IN THE OCCUPIED ARAB TERRITORIES, INCLUDING PALESTINE.

(March 24, 2004)

Mr. Chairman,

This Commission has concluded a short while ago a Special Sitting to consider the situation in the Occupied Palestinian Territory resulting from the assassination of Shiekh Ahmad Yassin. Targetted killings will only exacerbate the cycle of violence and counter-violence.

As we continue our deliberations under Item 8, we have to ask ourselves what is the message that this Commission should send to the Middle East region at this juncture. In our view, for this Commission to be a part of the solution the need of the hour is to reemphasise the need for a peaceful solution of the conflict, to prevent further loss of life and restore confidence between both sides, thereby paving the way for their return to the negotiating table. There can be no military solution to this essentially political problem.

The negotiations should lead to the realization of the inalienable and legitimate right of the Palestinian people to self-determination and a home land and to a just, comprehensive and lasting peace in the region based on UN Security Council Resolutions 242, 338 and the principal of 'Land for Peace', with the state of Palestine existing alongside Israel within secure and internationally recognized borders.

India has historically been unwavering in its support for the Palestinian cause. We voted against the partition of Palestine, and recognised the PLO as the sole and legitimate representative of the Palestinian people. We recognised the State of Palestine in 1988, and opened our Representative Office to the Palestinian National Authority in 1996.

India has extended its full support to the vision contained in UN Security Council Resolution 1397. We fully endorse UN Security Council Resolution 1402 and 1403, which call on both parties to move immediately to a meaningful cease-fire, and for the withdrawal of Israeli troops from Palestinian cities, including Ramallah. We support the recent peace initiatives of the international community, including the endorsement by the

UN Security Council in its Resolution 1515 of the Quartet Roadmap and the call to restart negotiations.

During the last decade of the Middle East Peace Process, India has executed a number of projects and programs worth several million dollars, aimed at capacity building and institutional support. This is in addition to regular assistance in the form of student fellowships, technical cooperation programmes and financial support to UNRWA. We have reiterated our support for the Palestinian people, and conveyed our readiness to assist in whatever way we can to the Palestinian leadership, with whom we have maintained regular contact.

The tragic developments in the Middle East are a cause of widespread international concern. The world has watched the incidents of violence in Jerusalem, the West Bank and the Gaza Strip, and other parts of the Palestinian National Authority and Israel with growing consternation. It is a matter of deep regret that the situation has shown no signs of improvement. Innocent men, women and children continue to bear the brunt of untold suffering. These events also adversely affect regional stability. Security and human rights are closely interlinked. A secure environment and the achievement of a just and comprehensive peace are essential prerequisites for the promotion and protection of human rights.

The spiral of violence and counter-violence in particular exacerbates an already serious socio-economic crisis on both sides, as evidenced by falling living standards and growing unemployment levels. World Bank reports have documented that the Palestinian economy is in severe recession. Unemployment has tripled to almost one-third of the work-force. Real incomes have fallen by almost 30 percent, and the proportion of the poor has doubled since late 2000. These trends need to be addressed and reversed on an urgent basis.

Both sides must cease all acts of violence, including all acts of terror and fully cooperate with the efforts of the international community. There must be immediate, parallel and accelerated movement towards tangible political progress and a defined series of steps leading to permanent peace involving recognition, normalisation and security between the two sides.

We are not in favour of the unilateral disengagement plan, which is being talked about; there should be political negotiations to arrive at a

solution acceptable to both sides. We are also not in favour of a separation fence which encroaches on Palestinian territory and causes major humanitarian problems.

Mr. Chairman,

India is vitally interested in peace, development and stability in the region and stands ready to assist in whatever way we can. Ultimately, however, it is the parties themselves that have to shoulder the major responsibility for achieving a permanent and lasting solution. There has to be a spirit of accommodation and political will to achieve a just and comprehensive peace. Meanwhile, we cannot lose sight of the fact that human rights standards and International Humanitarian Law are universal and should be respected by all sides.

Thank you.

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v. AGENDA ITEM 9: QUESTION OF THE VIOLATION OF HUMAN RIGHTS AND FUNDAMENTAL FREEDOMS IN ANY PART OF THE WORLD

(March 25, 2004)

Mr. Chairman

Agenda Item 9 of this Commission is of key importance in our common endeavour to promote and protect human rights around the globe. Its effectiveness in the advancement of human rights, however, depends critically on member states recognizing that the country resolutions are an instrument of last resort, not the first weapon of choice to be used whenever a country falls out of political favour.

Indiscriminate use of Item 9 country resolutions over the years has led to sharp divisions in the Commission. This is unfortunate. We need to ask ourselves if our shared objective of promoting and protecting human rights across the world is best served by the approach that has evolved for the consideration of this item. Selecting the right approach, clearly, is as

important as the objective it is intended to serve. The problem is not with Item 9, but the way it has come to be misused by members of the Commission.

When this Commission was established by ECOSOC in 1946, it was conceived as a very different body from what it is today. It was envisioned, essentially, as a body for setting standards in different thematic areas relating to human rights. Since then a complex Human Rights structure has emerged around it. Its ever expanding role and, some would add, its increasing intrusiveness into the sovereign space of member states, have led many countries to wonder if the present structure might be doing more harm than good for the cause of human rights – a cause dear to my country as it is to many of those represented in this Commission.

To be sure, every institution needs to evolve dynamically, to reflect the ever-changing nature of the problems that it is called upon to address. But when the impression gains ground that this complex human rights edifice that has taken shape over the years is really an instrument for advancing the political objectives of those who control its purse-strings, we must recognize that we have a problem. The standards we set for ourselves need to be uniformly applied.

The credibility of initiatives that are brought before the Commission under Item 9 rests on our ability to distinguish between those societies that cherish and protect the values of human dignity, democracy, equality, and the free expression of the will of the people, and those that are fundamentally opposed to them. The annual ritual of sitting in judgement over others does not move us towards our desired goal. 'Naming and shaming' through country specific resolutions only serves to create acrimony in the Commission.

At the end of the day, the measures that we adopt have to be proportional to the problems that they seek to address. We also have to ask ourselves whether the concerns and aspirations of the vast majority of the United Nations membership which belong to the developing world have not been lost sight of in the working of the Commission. The challenge that these countries face of limited resources and unlimited expectations needs to be understood and recognized.

Mr. Chairman,

India remains steadfast in its view that true respect for human rights can

only be assured in a political environment that guarantees democracy and freedom. India's experience demonstrates that a democratic, pluralistic society with a secular polity, an independent judiciary, a vibrant civil society, an independent media, and a powerful and independent Human Rights Commissions at the national and state levels, is an effective guarantee for the protection and promotion of human rights in a country.

We do not claim to be perfect. No country can. Yet, our open and democratic socio-political system has the wherewithal to deal with problems that occur. There are instances where economic and social grievances have manifested themselves. Our approach towards such problems has and will continue to be to address them through dialogue, strengthening of our institutions, and intensified efforts at economic development.

The very same liberties and freedoms which democracies guarantee also tragically make them the most vulnerable to misuse and assault. The challenge from terrorism is one of the gravest threats facing the world. Terrorist acts are frontal assaults on the most basic human rights, life and liberty. Terrorism has to be fought internationally by the community of civilized nations. It is axiomatic that ensuring the security of its people is the first responsibility of a government. This Commission owes a special responsibility to recognize and address the rights of the victims of terrorism. At the same time, we recognize that counter-terrorism measures should preserve the rule of law, protect human rights and sustain democracy.

Mr.Chairman,

In conclusion, we once again reiterate our complete commitment to human rights, human dignity and fundamental freedoms. India will, as in the past, constructively engage with other stakeholders for the promotion and protection of human rights during this session of the Commission.

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vi. ITEM 10: ECONOMIC, SOCIAL AND CULTURAL RIGHTS.

(March 29, 2004)

Mr. Chairman,

India acceded to the Covenant on Economic, Social and Cultural Rights in 1979. While we were not among the original signatories to the Covenant, the importance of economic, social, and cultural rights featured prominently in the Constitution we adopted in 1950, which contained a separate section on the Directive Principles of State Policy. At the broadest level, they call upon the state to strive to promote the welfare of the people by securing and protecting, as effectively as it may, a social order in which social, economic and political justice would inform all the institutions of national life. Formally, though these Directive Principles were not justiciable, they were nevertheless fundamental in the governance of the country, and obliged the State to apply them in making laws.

Over the years, in a series of landmark judgements, the Indian Supreme Court has ruled that the "Directive Principles" must be "read into" the Fundamental Rights, as the two sets of rights are complimentary to each other. The Supreme Court also ruled that the right to life, enshrined in the Constitution, includes within it the right to live with human dignity and all that goes with it, including the necessities of life, such as adequate nutrition, clothing, shelter and basic education.

The practical realisation of the rights enshrined in the Covenant, of course, depends on the stage of development of a country. Countries need to adopt policies that have as their central objective the welfare of their people. India has achieved significant success in this regard. Today, India looks forward to a GDP growth rate of 8% per annum. We hope to double per capita income in 10 years. The Tenth Five Year Plan for the period 2002-2007 has defined national development objectives in terms of enhancing the well being of the people. The Millennium Development Goals have been incorporated into the Plan with even more ambitious targets. For the period 2002-2007, the Plan aims to reduce the poverty ratio to 21% and increase the literacy rate to 75%. It also aims at creating 50 million jobs by 2007 and providing shelter to every one of our billion plus citizens by 2012. Special emphasis is being placed on addressing the life-time concerns' of our citizens, covering health, housing, education and employment.

The 86th Constitution Amendment Act – which makes free and compulsory education for children between the age group of 6 to 14 years a fundamental right – has come into force. This is a historic step towards the realisation of the universal right to education in India.

Mr. Chairman,

Human development is a process of expanding people's choices, allowing them to live secure lives with full freedoms and rights. Human development requires equitable, and sustainable economic growth. There is no gainsaying that there can be no real development without gender equality, and the participation of all sections of society in the decision making process.

The realization of economic, social and cultural rights is indispensable to the dignity of man. The Vienna Declaration and Programme of Action recognizes that all human rights are universal, indivisible, inter-dependent and inter- related. The international community must therefore, treat them in a fair and equal manner, on the same footing and with the same emphasis. Experience has taught us that economic, social and cultural rights can best be pursued only in open, free and democratic societies, where government policies mirror the will and aspirations of the people.

Mr. Chairman,

By expediting economic growth, creating jobs and raising incomes, globalisation has the potential to advance human development around the world. But globalisation has also increased vulnerability and insecurity. Multilateral institutions can play a major role in maximising the benefits of trade and globalisation while minimising their risks. We have noted with interest the report of the High Commissioner for Human Rights on the fundamental principle of non-discrimination in the context of globalisation, in particular its recommendation that states should undertake human rights impact assessments of trade rules. We need to ask whether the multilateral trade regime has maximized possibilities for human development, and provided developing countries with policy flexibility to make institutional and other innovations These issues have a direct bearing on employment, education, public health, movements of capital and labour and ownership of access to technology - all of which have an important bearing on the realisation of ESC rights.

It is unfortunate that the debate over the role of international cooperation in the progressive realization of these rights should continue after so many years. Article 2 of the Covenant on Economic, Social and Cultural Rights recognizes clearly that each State Party undertakes to take steps, individually and through international assistance and cooperation, to achieve progressively the full realization of the rights recognized in the Covenant. The success in the progressive realisation of Economic, Social, and Cultural Rights at the national level therefore depends to a large extent on effective international cooperation. Requisite resources to developing countries and the creation of a conducive international economic environment for realisation of the ESC rights of their citizens is a joint responsibility.

Mr. Chairman

The Working Group which met last month to consider options regarding an Optional Protocol to the Covenant on Economic, Social and Cultural Rights, discussed various issues connected with ESC rights. However, it could not reach a consensus. Some delegations pressed for an optional Protocol on a formal complaints mechanism. They argued that such a protocol would result in the improved enjoyment by people of economic, social and cultural rights, and the strengthening of international accountability of States parties. I am afraid that my delegation, and that of many other member states, remained unpersuaded by these arguments.

My delegation believes that it is premature to consider a legally binding complaints mechanism at the international level, akin to the complaints mechanism under the Covenant on Civil and Political rights. The international framework for Civil and Political rights evolved over several centuries and embody the experience of a number of democratic countries. Concepts and ideas related to Economic and Social rights, on the other hand, have engaged the global community for just over fifty years.

There is, also, no clear standard against which to measure a member state's obligation of "progressive realization" based on the "maximum of its available resources". The absence of a precise standard makes monitoring of compliance at the international level virtually impossible. That is why we believe that this aspect of the ESC rights is best handled in the framework of the legal and judicial systems of each country. Only when we reach a measure of development homogeneity globally, would it be meaningful to seriously embark on an international protocol on a complaints mechanism.

Mr. Chairman,

In conclusion, we would like to express our appreciation to the Committee on Economic, Social and Cultural Rights for its work in enhancing the visibility of ESC Rights and clarifying the provisions of the International Covenant. We are also grateful to the Sub-Commission on the Promotion and Protection of Human Rights for its pioneering work in this area.

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vii. AGENDA ITEM 11: Civil and Political Rights

(April 1, 2004)

Mr. Chairman,

In a few weeks from now, over 600 million Indians will take part in the world's largest exercise of a basic human right - the right to universal adult franchise - to elect a government of their choice. Once again, they will cast their vote to determine who will represent them in Parliament, and in some of the State legislatures that are going to the polls at the same time. They will do so freely, just as they have done regularly since India won independence in 1947. While people in India might appear to take this right for granted, they know only too well that this fundamental right to choose ones representatives, is denied to peoples in many parts of the world, and that the enjoyment of virtually every other civil and political right depends on the exercise of this right.

Mr. Chairman,

Democracy is an article of faith for over one billion Indians. To be sure, along with the holding of periodic elections, a vibrant democracy needs a whole range of institutions for its proper functioning. We are proud that these institutions of democracy have grown deep roots in our country. Our secular, pluralistic society, where every citizen is equal under the law, should inspire freedom loving people everywhere. No country should accept a lesser system.

Civil and political rights represent the cornerstone of the international

edifice of human rights. The extent of civil and political rights enjoyed by the citizens of a state, defines the essence of a society, impacting as it does on virtually every aspect of life. The enjoyment - or denial - of these rights shapes the way people think, their attitudes, the way they relate to each other, their entire value system. More than anything else, civil and political rights shape a nation.

India won its independence at a time when the Universal Declaration of Human Rights was taking shape. The framers of our Constitution were enlightened visionaries, with a deep concern for human values. Our founding fathers were determined to establish a political framework in which the most basic aspiration of the people – the aspiration to live with freedom and dignity – would be secure, guaranteed to withstand any attempt at infringement. That guarantee has stood firm for over fifty-five years. If the people of India today take their rights and freedoms for granted, it merely reflects how entrenched they have become. A life without such freedoms is unthinkable.

We have never accepted the argument that some have tried to make - that there was an implicit trade-off between civil and political rights on the one hand, and economic, social and cultural rights on the other. On the contrary, we see democracy, and the values and principles that go with it, not as an obstacle to the fight against poverty and the development of the country, but as the only durable and sustainable framework within which the welfare of the people can be ensured. We have sought to promote both sets of rights as a composite whole.

It is doubtless true that lack of adequate resources and insufficient national capacity in developing countries handicaps the ability of the state to secure for its people the full enjoyment of the fruits of civil and political rights. But that certainly does not mean that restricting civil and political rights is necessary for economic and social advancement.

No one, of course, would claim that democratic societies are necessarily beyond reproach on each and every issue relating to the protection and promotion of civil and political rights. That would be an impossible standard for any country to meet. But with the safeguards provided by the institutions of a democratic society, including an independent judiciary, a free press, an alert and vibrant civil society unafraid to question the government's actions and highlight its perceived failures, democracies

are far less likely to tolerate abuses of human rights than societies which are closed, authoritarian and devoid of a system of checks and balances.

When human rights violations do occur, institutions in democratic societies ensure that corrective measures are taken. We are, therefore, disappointed to find that the Special Rapporteur on Torture, in his report in document number 56, and 56/Add.1 has expressed concern that the government has not extended to him an invitation to visit India. We are rather perplexed by the notion, evidently shared by some Special Rapporteurs, that the measure of a country's commitment to the protection and promotion of human rights is the alacrity with which they respond to a request for an invitation to visit the country. There might, arguably, be some basis for such a belief where human rights in closed, non-democratic societies are at issue. It seems to us rather presumptuous, however, that the Special Rapporteur on Torture should believe that absent his watchful eye democratic societies would fail to take corrective measures when human rights violations do occur.

Mr. Chairman,

India has been a victim of terrorism for over 20 years. Terrorism and its backers seek to exploit the freedoms available in democratic societies. These freedoms are viewed by some of them as legitimate instruments to take advantage of. Terrorism has emerged as a truly global threat. Democracies must rally against this international menace, and must treat states that sponsor terrorism as global pariahs. Terrorists are unconcerned about human rights or, indeed, about any norms prescribed by Humanitarian Law. Terrorists are the biggest violators of the most basic of human rights, the Right to Life. Their objective is to instill fear, their tactic is to intimidate. They have absolutely no compunction about denying the basic rights of innocent citizens. No cause, no religion, no ideology, no so-called struggle justifies terrorism. Grievances, real or imaginary, cannot be addressed at the point of a gun.

Ensuring the security of its people is the first responsibility of a government. Faced with the growing threat of terrorism, most countries - including India - have been forced to enact special legislation to tackle terrorists. It is, of course, important to strike a balance between the imperative of dealing with, and putting an end to, terrorism on the one hand, and safeguarding human rights on the other. In tackling terrorism effective

domestic measures must be supplemented by sustained international cooperation, particularly through a strong and effective legal regime.

Before concluding, Mr. Chairman, I would like to touch upon an aspect of our functioning that is beginning to concern our delegation. The edifice of mechanisms, special procedures, and international instruments that we have created over the years is today in need of rationalization. Instead of consolidating our gains, we seem to be moving in the direction of further proliferation and duplication of mandate holders and instruments. This may satisfy certain domestic agendas, but it is doubtful whether such proliferation serves the cause of human rights. Ultimately, it is the implementation by, and the political will of, each State that will lead to the promotion and protection of civil and political rights. There can be no substitute to national capacity building.

Thank you.

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viii. AGENDA ITEM 12: INTEGRATION OF THE HUMAN RIGHTS OF WOMEN AND THE GENDER PERSPECTIVE

Mr. Chairman,

The importance of Agenda Item 12 on the integration of the human rights of women and the gender perspective in the work of this Commission cannot be overemphasized. The progress of any society is dependent on its ability to protect and promote the rights of its women.

Long before India ratified the Convention on the Elimination of All Forms of Discrimination Against Women, and other international instruments dealing with women's rights, our national commitment to women's rights had found full reflection in the Constitution adopted in 1950. The Constitution was ahead of its time, not only by the standards of the newly independent countries, but also of many of the developed countries in removing all forms of discrimination against women. The guaranteeing of equal rights and privileges for women by the Constitution marked the first step in the journey towards the transformation of the status of women in India.

As a result of concerted efforts and a comprehensive policy framework over the last five decades there have been significant advances in the socio-economic indicators for women. These include a considerable rise in life expectancy at birth, increase in mean age at marriage, and decline in the female death rate. Most importantly, there has been an increase in the female literacy rate from just under 30% in 1981 to over 54% in 2001, and for the first time, the absolute number of female illiterates has shown a decline in the 2001 Census. Other indicators such as the Gross Enrolment Ratio for girls at primary and middle levels, number of women in higher education, and the female work participation have also shown a marked positive trend.

Empowerment of women is critical for the socio-economic progress of any country. The 73rd and 74th Constitutional Amendments in 1993 have made a significant impact on the participation of women in the grassroot democratic institutions at the village and local levels. A Bill has been also introduced in our Parliament that seeks to reserve one-third of the seats for women in the House of the People and in the Legislative Assemblies of the States. Alongwith this, several programmes have been designed for the holistic empowerment of women through the process of mobilization, organisation and awareness generation, which would enhance the self-confidence of women within the household and community and empower them to access resources from various available and new sources.

It is our conviction that education is key to the advancement of women. The spread of liberal education and values has unleashed forces for social reform and created awareness about the need for increased participation of women in the educational, social, economic and political life of India. The care of the girl child in the areas of health and nutrition, education and economic potential constitutes a major focus of state policy. The 86th Constitution Amendment Act – which makes free and compulsory education for children between the age group of 6 to 14 years a fundamental right – has come into force. This is a historic step towards the realisation of the universal right to education in India, which will also have a profound effect on the girl child.

An important institution that is playing a significant role to protect and promote the interests and safeguard the rights of women is the National Commission for Women. This statutory body has been in existence for more

than a decade and has been in the forefront of the national endeavour to improve the status of women in society. The Commission has been reviewing laws, looking into specific cases of complaints of atrocities, harassment, denial of rights and exploitation of women. It has also been taking remedial action to restore the legitimate rights of women.

Comprehensive efforts have also been underway to secure gender justice by substantially increasing coverage of programmes for affirmative action, campaigns for equal rights to women in property, credit facilitation, income generating opportunities, provision of support services like day care facilities, crèches, hostels for working women, etc. Specific provisions for women from the vulnerable sections of society have been made in the Prevention of Atrocities Act of 1989 and the Prevention of Atrocities Rules of 1995. States and Union Territories have been asked to formulate specific schemes under the Special Component Plan for the development of women from the vulnerable sections in the field of education, housing, drinking water supply facilities and also ownership rights on assets.

Mr. Chairman,

To build upon the progress made the Government of India adopted the National Policy for Empowerment of Women in 2001, which will guide the approach to the empowerment of women in the Tenth Plan period from 2002 to 2007. An allocation of over 3 billion US dollars has been made for this period for the Department of Women and Child Development, the largest for any single department in the Government of India, for the implementation of the Plan. The main components of the action plan are:

- Creating an environment, through positive economic and social policies, for the development of women to enable them to realise their full potential;

- Ensuring the de jure and de facto enjoyment of all human rights and fundamental freedoms by women on par with men in all spheres; - Providing equal access to participation and decision-making for women in the social, political and economic life of the nation;

- Ensuring equal access to women to health care, quality education at all levels, career and vocational guidance, employment, equal remuneration, occupational health and safety, social security and public office; -

Strengthening legal systems aimed at the elimination of all forms of discrimination against women;

- Changing societal attitudes and community practices by active participation and involvement of both men and women;

- Mainstreaming a gender perspective in the development process;

- Building and strengthening partnerships with civil society, particularly women's organizations, corporate and private sector agencies.

In addition to the role of the State and the constitutional provisions that exist, the judiciary has played a key role in the advancement of gender justice in India, including through the mechanism of public interest litigation which has taken deep roots in the country. The Supreme Court of India has delivered landmark pronouncements on matters such as the need for equal property rights for women, particularly in case of inheritance and sexual harassment at the workplace. The process of organising women into Self-Help Groups to provide them a permanent forum for articulating their needs has been extremely successful, with more than a million such groups now in existence all over the country. Functioning at the grass root level, these groups are becoming agents of social change, and enabling access to financial and material resources.

In conclusion, let me reiterate India's full commitment to work with the international community to promote and protect the rights of women.

Thank you.

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ix. AGENDA ITEM 13: RIGHTS OF THE CHILD

Mr. Chairman,

India's commitment to the rights of the child is civilisational and enshrined in our Constitution. Mahatma Gandhi had said, and I quote, if we are to reach real peace in this world, and if we are to carry on real war against war, we shall have to begin with children, unquote. Even prior to India's accession to the Convention on the Rights of the Child, India's policies and programmes at the central and state levels were directed towards creating an affirmative environment for children's rights.

One of the Directive Principles of State Policy contained in the Constitution states that the State shall, and I quote, ensure that children are given opportunities and facilities to develop in a healthy manner and in conditions of dignity and that childhood and youth are protected against exploitation and against moral and material abandonment, unquote. India has one of the most comprehensive legal regimes for the protection of children. The Constitution of India articulates in substantial measure several of the principles of the Convention on the Rights of the Child. Our national policies have seen rapid progress since independence and we have tried to provide maximum outreach for our programmes for children. This is a recognition of the importance that children have in the life and well-being of a nation, as equally of the fact that India has the largest child population in the world.

Being a vibrant democracy, change necessarily takes place in an environment of consensus and participation of the people. This process may be time consuming, but the results are resilient and sustainable. Poverty is the greatest enemy of children. Our achievements vis-a-vis all indicators for children for the past decade have been positive if not total, and though we realize we still have a long road ahead, our commitment and determination remains undeterred. India, as a pluralistic society, is committed to bringing about attitudinal change through consultation and decentralized, democratic means, a task which is extremely challenging.

Among the major measures taken by the Government of India in the recent past are:

- The 93rd Constitution Amendment Bill now known as the Constitution

(86th Amendment) Act making free and compulsory education a fundamental right for all children in the age group of 6-14 years. The Sarva Shiksha Abhiyan, which means Campaign for Education for All, is the Government of India's national programme to achieve Universalisation of Elementary Education as mandated by the 86th Amendment to the Constitution of India.

- The National Commission for Children Bill was introduced in Parliament in December 2003 after intense consultation with State Governments, NGOs, experts and members of civil society. The Commission will function as a guardian of children's rights with powers to take suo motu cognizance of child right violations.

- The National Charter for Children, a policy document that embodies our agenda for children, has been laid in both houses of Parliament. Underlying the Charter is our intent to secure for every child its inherent right to be a child and enjoy a healthy and happy childhood, to address the root causes that negate the healthy growth and development of children, and to awaken the conscience of the community in the wider societal context to protect children from all forms of abuse, while strengthening the family, society and the nation.

- The Pre-Natal Diagnostic Techniques (Regulation and Prevention of Misuse) Act, 1994 has been amended in 2003 to provide for the prohibition of sex selection, before or after conception, and more stringent enforcement. The National AIDS Prevention and Control Policy announced in 2001 aims at effective containment of the infection levels of HIV/AIDS in the general population in order to achieve zero-level of new infections by 2007.

- The National Health Policy of 2002 seeks to achieve an acceptable standard of good health amongst the general population of the country, through decentralized interventions and community participation.

- The Government of India is committed to eliminate all forms of child labour beginning with hazardous occupations. The National Child Labour Projects that started with coverage of 5 districts increased to 100 districts in the 9th Plan. The resources allocated to the programme have more than doubled to over 130 million US dollars in the current 10th Plan, with coverage of 250 districts.

- The objective in the 10th Five Year Plan is to ensure that every child between the age of 5 to 14 years and working in hazardous occupations and processes is withdrawn and sent to school.

- The Department of Women and Child Development as a follow-up to the UN General Assembly Special Session for Children is in the process of finalizing a National Plan of Action for Children with a special focus on reduction of Infant, Child, Maternal Mortality, Child Malnutrition, providing free and compulsory education to all children in the age group 6-14 years, protecting children from all types of abuse and exploitation, and improving sanitation coverage both in rural and urban areas.

- India has launched a national programme for formation of Women's Self Help Groups for reaching women's empowerment to the grassroots. Approximately 53,000 women's groups have been formed across the country, and are at varied stages of maturity. The programme, apart from socially and economically empowering rural women from the poorest strata, has already demonstrated a marked improvement in children's indicators in areas where the groups are active, especially of infant, child and maternal mortality rates, school attendance by children, particularly girls, and reduction in malnutrition and anemia.

Mr. Chairman,

The realisation of children's rights cannot be accomplished by Government action alone. While such action is a prerequisite for establishing the enabling legal and policy environment and for initiating and implementing major national programmes, requisite public awareness and information is vital for bringing about attitudinal change. This can only be brought about by a complementary and dynamic partnership with NGOs, social activists and grassroot field workers, and participation of civil society. A conducive international cooperation framework, as recognized in the Convention on the Rights of the Child, is equally essential to enable States with limited resources to fulfil their goals and aspirations.

Thank you.

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x. AGENDA ITEM 14: SPECIFIC GROUPS AND INDIVIDUALS

Mr. Chairman,

The protection of the rights of persons belonging to minorities is a fundamental responsibility of all States. These rights are explicitly set out in a number of international instruments, most notably in the Universal Declaration of Human Rights, the International Covenants, the Convention on the Elimination of All Forms of Racial Discrimination, the Convention on the Rights of the Child, and the Declaration on the Rights of Persons Belonging to National or Ethnic, Religious or Linguistic Minorities.

Given the immense diversity of India, with its myriad religions, languages and cultures, it is not surprising that there are as many minority groups in our country as there are possible classifications based on identifying characteristics. Our heritage is one of inclusion. In keeping with this heritage our founding fathers enshrined in our Constitution, ideals that ensure that all citizens of India have an equal opportunity to develop, by securing for them social, economic and political justice; liberty of thought, expression, belief, faith and worship; and equality of status and opportunity. These principles form the bedrock of India's pluralistic society. They are essential for establishing a society where people have opportunity to enjoy all human rights in the framework of cohesion and stability. Our respect for the individual underpins our commitment to safeguarding the rights of every human being, irrespective of race, religion, sex or other defining characteristic.

We believe that the values of tolerance and pluralism are universal in nature. Their advancement by the United Nations system and this Commission will contribute significantly to the promotion and protection of human rights within and among societies. It is in keeping with this approach that India will table its biennial resolution, which has traditionally been adopted by consensus, on 'Tolerance and Pluralism as indivisible elements in the promotion and protection of human right'. We commend the resolution for the consideration of the Commission this year.

Mr. Chairman,

India is home to all major religions. We have the second largest Muslim population in the world. We don't just cherish diversity, we celebrate it.

Respect for the other person's identity as member of a particular minority group therefore has deep and abiding roots in the social consciousness of India.

Secularism is a fundamental tenet of the Indian Constitution and political system. The Constitution of India has laid down special provisions for safeguarding the rights of minorities. It prescribes that the State shall not deny to any person equality before the law or the equal protection of the laws. It lays down that the State shall not discriminate against any citizen on grounds of religion, race, caste, sex, or place of birth. Every religious denomination has the right to establish and maintain institutions for religious, educational and charitable purposes, to manage their own affairs in matters of religion, to own and acquire property and to administer such property in accordance with law. No religious instruction can be imparted in any educational institution wholly maintained out of State funds and no person attending any educational institution recognised by the State or receiving aid out of State funds can be compelled to take part in any religious instruction without his or her consent. There shall also be equality of opportunity for all citizens in matters relating to employment or appointment to any office under the State. All persons are equally entitled to freedom of conscience and the right to freely profess, practice and propagate religion. Citizens residing in India have the right to conserve their distinct language, script or culture.

The National Commission for Minorities was constituted in 1993. The Commission is vested with broad statutory powers for the effective implementation of safeguards provided under the Constitution for the protection of interests of minorities and for making recommendations in this regard to the Central and State Governments. The Commission looks into the welfare of minorities, and has the powers to examine specific complaints regarding the deprivation of rights and safeguards of minorities. It is both a monitoring and standard setting body with powers to receive complaints. Its reports are laid on the table of both Houses of Parliament along with a memorandum of action taken or proposed to be taken by the Government.

Differences in society are only natural. Whenever problems occur solutions to them have to be found within a democratic framework: by establishing firm foundations of equality and non-discrimination, strengthening legislation, raising public awareness, and concerted action by civil so-

ciety and the media. The challenge is to address such differences through dialogue and empathy. The recrudescence of various forms of exclusivism, bigotry, hatred and intolerance is particularly worrying, as are extremism and violence in the name of religion. Such developments present challenges to the entire civilised world, which must be met with firm resolve.

Mr. Chairman,

The Working Group on Minorities has developed into an important forum for the examination of problems being faced by minorities and identifying solutions for such problems. We have closely followed its work, including of its tenth session in March 2004, and are of the view that the Working Group should be fully supported by this Commission as well as by the Sub-Commission on the Promotion and Protection of Human Rights, its parent body.

The Report of the High Commissioner for Human Rights on the 'Rights of persons belonging to national or ethnic, religious and linguistic minorities' submitted to this Commission has put forward many ideas deserving our consideration. In our view, they require careful deliberation. While strengthening or creating new human rights mechanisms we have to adopt a judicious approach, so that we do not contribute to the duplication or enfeeblement of existing mechanisms such as the Treaty bodies and special procedures. In view of the limited material and financial resources available with the Commission and the Office of the High Commissioner, our first priority ought to be to rationalise and increase the effectiveness of existing mechanisms. Finally, as we have stated elsewhere, there is and can be no substitute to the creation of strong and resilient domestic institutions and safeguards. The international community should be ready to assist in the creation of appropriate national capacity should such assistance be required.

Mr.Chairman,

We welcome the focus of the Office of the High Commissioner for Human Rights on the human rights of persons with disabilities. There is a strong legal framework in our country for empowerment of persons with disabilities. In 1995 India enacted a landmark legislation in this regard – the Persons with Disabilities Act - to ensure that people with disabilities enjoyed equal opportunities. India has been taking an active part in the

Working Group to prepare a Convention for the Promotion and Protection of the Rights and Dignity of Persons with Disabilities. Our delegation submitted comprehensive proposals for consideration of the Working Group when it met earlier this year.

Mr. Chairman,

In conclusion I would like to say that we believe that the protection of the rights of specific groups and individuals is first and foremost the duty of each state. It must be our common endeavour to ensure that all states fulfil their obligations to their citizens and develop the requisite capacity and political will to do so.

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