



SAARC Chamber of Commerce and Industry

**Mid-Term Report
2008**



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Acknowledgment

SAARC CCI would like to convey its heartfelt gratitude to its vigilant and progressive leadership comprising of its President, Senior Vice president, Vice Presidents, Past Presidents, President Member Federations, Executive Committee & General Assembly Members for their untiring efforts for empowering SAARC CCI by enhancing its role and efficiency throughout its evolutionary years.

SAARC CCI earnestly acknowledges its prime sponsors and partners for their kind support to make this publication a reality. SAARC CCI express special gratitude for the noteworthy contributions made by Mr. Mir Nasir Hossain, Senior Vice President, SAARC CCI from Bangladesh, Mr. Iftikhar Ali Malik, Vice President, SAARC CCI from Pakistan, Mr. S.N.Agrawal, Vice President, SAARC CCI from India and Mr. Zubair Tufail, Former Vice President, Federation of Pakistan Chambers of Commerce and Industry (FPCCI).

SAARC CCI highly appreciates the efforts and support of FNF for sponsoring its activities and look forward to further strengthening this partnership in the future.

SAARC CCI extends its sincere thanks to all the people who have contributed to and worked in the preparation of this report.



President Message

With the finale of 2008, first round of my 2 year presidential term at SAARC Chamber of Commerce and Industry (SAARC CCI) has come to an end. The dawn of 2009 has brought new challenges, issues, prospects, opportunities and horizons to explore. It has also strengthened our commitment to sharpen our efforts to create a stronger South Asian Economic Union that will bring socio-economic stability to the region.

It is the time when world is passing through an era of economic recession and economic meltdown gradually engulfs the whole world, fortunately, the economies of South Asia so far have had limited impact of financial meltdown as compared with OECD countries. Sooner or later, an economic and social meltdown is inevitable without bold and immediate actions. Hence, to keep our economies on track of development, we have to maintain current level of growth. We drastically need to overcome shortage of energy, which is one of the biggest challenges faced by the region.

I am a staunch believer of the fact that 'SAARC' as a region is unique and it needs indigenous solutions for its inherited problems and issues. Therefore, the SAARC region should emphasize on joining hands in trade, services, agriculture and economic activities which shall refrain animosities within the region. To serve the purpose, the eight nations in South Asia that form SAARC family must work together with firm resolve to meet the common challenges; especially those threaten our security, peaceful co-existence and progress in the region.

The role of regional organizations towards promoting economic integration is widely acknowledged by the world all over; it emphasizes for recognition of each other nations as partner of regional development through enhance cooperation at socio-economic fronts. By following the same path SAARC countries may also establish common standards and practices in a variety of areas, including environmental policies, standards, harmonization of procedure and policy regulations.

While renewing our spirit, I must take this opportunity to laud the SAARC Chamber of Commerce and Industry (SAARC CCI) for its positive role in promoting regional cooperation to achieve the objectives of the creation of SAARC, with its true essence. SAARC CCI is committed to continue its efforts in the future as well.

Let's look forward to share an exciting and productive year ahead!

A handwritten signature in black ink, appearing to read 'Tariq Sayeed'. The signature is fluid and cursive, written in a professional style.

Mr. Tariq Sayeed
President, SAARC CCI





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Organizational *Overview*

SAARC Chamber of Commerce and Industry

An apex business organization of SAARC

Organization:

The SAARC Chamber of Commerce and Industry (SAARC CCI) is recognized by all the governments of SAARC member countries as the apex trade organization of the region. The constitution of SCCI was given official recognition by SAARC. The SAARC CCI consists of the following national federations and chambers of commerce and industry as members:

- Afghan Chamber of Commerce and Industry (ACCI)
- Federation of Bangladesh Chambers of Commerce & Industry (FBCCI)
- Bhutan Chamber of Commerce & Industry (BCCI)
- Federation of Indian Chambers of Commerce & Industry (FICCI)
- Maldives National Chamber of Commerce & Industry (MNCCI)
- Federation of Nepalese Chambers of Commerce & Industry (FNCCI)
- Federation of Pakistan Chambers of Commerce & Industry (FPCCI)
- Federation of Chambers of Commerce and Industry of Sri Lanka (FCCISL)

In October 1993, Mr. S.M. Inam of Pakistan was elected as the president of SAARC CCI. In Feb 1994, SAARC CCI was formally inaugurated in Dhaka by the then prime minister of Bangladesh. The headquarters of the SAARC CCI was later set up in the premises of FPCCI in Karachi, however in December 1997, it was shifted to Islamabad.

Mr. Salman F. Rahman of Bangladesh, Mr. Kantikumar R. Podar of India, Mr. Qasim Ibrahim of Maldives, Mr. Padma Jyoti of Nepal, Mr. Macky Hashim of Sri Lanka and Dasho Ugen Tsechup Dorji from Bhutan have so far been President of the SAARC Chamber of Commerce and Industry (SAARC CCI). The present president is Mr. Tariq Sayeed from Pakistan.

The SAARC CCI Executive Committee comprises of seven members nominated by each of the seven member federations and the General Assembly comprises of five members from each SAARC country.

Recognition of Chamber:

The recognition of SAARC CCI as an apex trade organization of the region was renewed by the SAARC Secretariat for another five years (till 2010). This was an acknowledgement of the efforts made by SAARC CCI to bring the business community of the region together for reaping the fruits of regional and economic cooperation in SAARC.

SAARC CCI Objectives:

- Awareness building
- Developing global linkages
- Providing services to private sector and working closely with governments
- Developing institutional framework for promoting economic cooperation in the region

Close Cooperation with Governments

SAARC CCI has always pushed for a regional trading framework under which the countries could trade more with each other. In its initial years SAARC CCI organized seminars in each of the seven countries on preferential trade. The signing of SAPTA in 1993 was a major political breakthrough for SAARC, since it was the first multilateral agreement on economic cooperation in the region. It created an excellent opportunity for the SAARC CCI to translate the political decision to sign SAPTA into tangible efforts by the private sector of the SAARC member countries to implement SAPTA.

The process of globalization has heightened the



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importance of protection of domestic industry. As integration into the global market will open up different sectors to external competition, SAARC CCI has tried to develop a consensus amongst the business community of SAARC countries. The cooperation for intra-regional trade and investment in SAARC countries had also not been fully explored. SAARC CCI, therefore, attempted to build awareness about the potential economic cooperation within the region. For this purpose many research studies were conducted through specialized institutions, individuals and seminars/workshops were held in the region for the benefit of business community, policy planners, media and the intelligentsia.



Interaction with SAARC Secretariat

Interaction with the SAARC Secretariat has intensified over the years. This has led to better understanding and appreciation of legitimate concerns of business and industry in the region not only with regard to intra-SAARC trade issues but also with regard to WTO issues.

To ensure close cooperation between the private sector and the governments of SAARC member countries, the SAARC Secretariat in Kathmandu has been associated with seminars, workshops and conferences organized by SAARC Chamber in member countries. The SAARC Secretariat is a permanent and active invitee even in the Executive Committee (EC) and General Assembly (GA) meetings of SAARC CCI. It is a matter of great satisfaction that the president of the SAARC CCI is now a regular invitee to the Committee on Economic Cooperation (CEC) of SAARC for presentation of private sector viewpoints to the commerce secretaries of SAARC countries on

matters related to intra-SAARC trade, trade facilitation and also multilateral trade issues. SAARC CCI was invited to make presentation during SAARC Commerce Ministers Meet during 2001-2004 and the Thirteenth Meeting of the Committee on Economic Cooperation in 2007. In addition, SAARC CCI also participated and made presentations in special technical committees to enhance economic cooperation in the region.

In January 2002, during the Eleventh SAARC Summit, Padma Jyoti, then Senior Vice President, SAARC CCI, made a presentation before the Council of Ministers on "Government-Industry Partnership". Later copies of the Government-Industry Partnership Affirmation were handed over to the summit leaders, members of the Council of Ministers and the SAARC Secretariat. The SAARC leaders welcomed the initiative taken by SAARC CCI. Interaction with SAARC Secretariat

Global Partners:

SAARC CCI in its efforts to enhance SAARC integration into global economy has signed some Memorandum of Cooperation (MOC) with major trade and business promotion organizations of the world which include as follows:

- Commonwealth Business Council (London, UK)
- Eurochambres (Brussels, Germany)
- EU-Asia Invest
- ECO Chamber of Commerce and Industry (Istanbul, Turkey)



These MOCs are signed with a view to increase trade and remove bottlenecks with the regions by enhancing economic and commercial cooperation. The MOC are aimed at exchanging information, strengthening of economic cooperation in the areas of trade, industry,

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An apex business organization of SAARC

services, concrete forms of cooperation, to conduct special seminars, symposium, negotiations for business representatives, delegation Visit and assistance for the settlement of disputes between their members due to commercial, economic and industrial interactions.

At present, SAARC CCI is undertaking some mega projects with following International partners:

■ EU-Asia Invest:



SAARC Chamber of Commerce & Industry (SAARC CCI) in collaboration with Chamber of Commerce and Industry, Paris and Madrid CCI, ICC Pakistan, Ceylon Chamber, Federation of Bangladesh Chambers will promote E-Commerce under South Asian Chambers Cluster Project, which is an EU-Asia Invest program based activity. Recently SAARC CCI signed an agreement with Chamber of Commerce & Industry, Paris for implementation of "South Asian Chamber of Commerce Cluster for Electronic International Trade" The objective of the project is to strengthen local network of Chamber of Commerce by providing them with necessary tools and know-how for increasing their range of Services to International trade oriented SMEs. The project specifically aims at opening of a South Asian on line trade Cluster, including deployment of Chamber Trust and implementation of a "secure negotiation room" inter-connected with the global world Wide Chamber Portal (World Chambers network).

■ Friedrich Naumann Stiftung für die Freiheit:

The Friedrich Naumann Stiftung für die Freiheit (FNF) is the Foundation for liberal politics. It was founded in 1958 by, amongst others, Theodor Heuss, the first German Federal President after World War II. The Foundation currently works in some sixty different countries around the world – to promote ideas on liberty and strategies for freedom. Our instruments are civic education,

political consultancy and political dialogue.

The Foundation lends its expertise for endeavours to consolidate and strengthen freedom, democracy, market economy and the rule of law. As the only liberal organization of its kind worldwide, the Foundation facilitates to lay the groundwork for a future in freedom that bears

Friedrich Naumann
STIFTUNG **FÜR DIE FREIHEIT**

responsibility for the coming generations.

Within South Asia, with its strong tradition of tolerance and love for freedom, with its growing middle classes which increasingly assert themselves, and with its liberalizing economies, the Foundation works with numerous partner organizations to strengthen the structures of democracy, the rule of law, and the economic preconditions for social development and a life in dignity.

SAARC CCI in 2008

A Roundup



Activities Sum Up

41st & 42nd Executive Committee Meetings:

The 41st & 42nd Executive Committee Meetings of the SAARC Chamber of Commerce and Industry (SAARC CCI) were held on the same day in New Delhi, India on January 13, 2008. The EC Meetings of SAARC CCI were significant occasions as this marked the completion of fourteen successful years of the establishment of SAARC CCI. For the first time in SAARC CCI's history, one full presidential cycle of rotation between the SAARC countries has completed and



the seventh presidential term of SAARC CCI came to an end successfully. After formerly handing over the presidential office to Mr. Tariq Sayeed for the term 2008-09, Dasho Ugen Tsechup Dorji the SAARC CCI president from Bhutan for the term 2006-07 warmly welcomed the new President and Senior Vice President, SAARC CCI, Mr. Mir Nasir Hossain from Bangladesh as well as Vice presidents and the newly nominated EC members, representing respective countries of SAARC.

Meet the President - A Networking Reception:

A Networking Reception hosted by the SAARC Chamber of Commerce and Industry (SAARC CCI) was held in Islamabad, Pakistan on February 6, 2008. The event was organized in honor of Mr. Tariq Sayeed, new President, SAARC CCI and Mr. Iftikhar Ali Malik, Vice President, SAARC CCI (Pakistan). The reception was held to network with senior diplomats and members of the diplomatic corps to fortify the linkages of SAARC CCI with the international community.

The reception invited ambassadors and members of the diplomatic corps. The prominent guests of

the evening included excellencies and dignitaries: H.E. Mr. Bala Bahadar Kunwar, Ambassador, Embassy of Nepal, Mr. Khaga Nath Adhikari, Deputy High Commissioner, Embassy of Nepal, H.E. Dr. W.B. Dorakumbure, High Commissioner, High Commission of the Democratic, Socialist Republic of Sri Lanka, H.E. Mr. Ali Mohammad AL Shamasi, Ambassador, United Arab Emirates, Mr. Manpreet Vohra, Deputy High Commissioner, Indian High Commission, Mr. M.D. Nurul Islam, First Secretary, High Commissioner of the Bangladesh and H.E. Mr. Cassim Peer, Deputy High Commissioner, South Africa.



The reception was widely attended by senior Trade, Commercial and Economic Counselors from the European Commission, USA, Canada, Russia, India, Iran, Afghanistan, Bangladesh, Turkey as well as renowned business leaders from Pakistan.

SAARC CCI's Building Committee Meeting:

SAARC CCI's Building Committee Meeting was held in Lahore, Pakistan on April 14, 2008. Three presentations were given by the leading architects of the country who presented their designs and proposals regarding the construction of official building of SAARC CCI in Islamabad, Pakistan. The members of the committee unanimously agreed to award the project to M/s REMCO as the consultant of the project.

43rd Executive Committee Meeting of SAARC CCI:

The 43rd Executive Committee Meeting of SAARC Chamber of Commerce and Industry was

Activities Sum Up

scheduled to be held on April 15, 2008 in Lahore, however as per SAARC CCI Constitution "Article 20 - Quorum" due to incomplete quorum Mr. Tariq Sayeed, President, SAARC CCI adjourned the meeting for 24 hours. Later, the Executive Committee meeting was held on April 16, 2008 in Lahore-Pakistan under the chairmanship of Mr. Tariq Sayeed, President SAARC Chamber of Commerce & Industry (SAARC CCI).



The meeting commenced with the President, SAARC CCI welcoming all the participants followed by a short introduction round of the Executive Committee members.

Mr. Zubair Malik, Executive Committee Member of SAARC CCI from Pakistan showed his concern on lack of participation of member countries and cancellation of delegation from India at eleventh hour even after making all the arrangements by SAARC CCI.

Agenda Item 01: To approve agenda of 43rd EC meeting of SAARC CCI:

Mr. Iftikhar Ali Malik, Vice President, SAARC CCI from Pakistan proposed the adoption of the agenda of 43rd EC meeting of SAARC CCI, Mr. Md. Hasan Ali, Executive Committee member of SAARC CCI from Bangladesh seconded the motion.

Decision: President, SAARC CCI announced adoption of the agenda of the 43rd Executive Committee meeting of SAARC CCI.

Agenda Item 02: To approve minutes of 42nd EC meeting held at New Delhi on Jan 13, 2008:

Mr. Sheikh Jamil Mehboob Magoon, Immediate Past Sr. Vice President, SAARC CCI from Pakistan, proposed the adoption of the minutes.

Mr. Nawaz Rajabdeen, President FCCISL seconded the motion. Executive Committee members made some changes in Calendar of events for SAARC CCI in 2008 including (i) postponement of SAARC CCI Strategy Meeting proposed in Lahore for three months (ii) Mr. Nawaz Rajabdeen, Vice President, SAARC CCI and President FCCISL proposed to hold SAARC Tourism Minister Meet during November 2008 similar to the Tourism Ministers Meet organized in Sri Lanka. On suggestion of Executive Committee it was principally agreed that SAARC Tourism Ministers Meet will be organized on side lines of SBLC which is scheduled for November 2008 in Pakistan. And (iii) house agreed on participation of SAARC CCI in 8th SAARC Trade Fair.

Decision: President, SAARC CCI announced adoption of the minutes of the 42nd Executive Committee meeting with changes in calendar of events of SAARC CCI in 2008.

Agenda Item 03: To review activities undertaken by SAARC CCI Sect. after 42nd EC Meeting:

Director SAARC CCI appraised the house about the activities undertaken after 42nd Executive Committee meeting in New Delhi, India. This includes (A) SAARC CCI Activities at Secretariat Level (i) The 41st and 42nd Executive Committee Meetings of SAARC CCI were held on the same day of Jan 13, 2008 in New Delhi, India (ii) Networking Reception by SAARC CCI was organized on Feb 6, 2008 in Islamabad, Pakistan (B) Activities of the President, SAARC CCI (i) Meeting with Hon'ble Shahzada Alam Mannoo, Commerce Minister of Govt. of Pakistan on Feb 26, 2008 in Islamabad (ii) Meeting with H.E. Bala Bahadar Kunwar, Ambassador of Nepal on Feb 28, 2008 in Islamabad (iii) Meeting with Hon'ble Jairam Ramesh, Minister of State for Commerce, Govt. of India, New Delhi on March 1, 2008 (iv) Meeting with T.C.A. Raghavan, Joint Secretary, Ministry of External Affairs of India on March 1, 2008 in New Delhi (v) Presentation made by President, SAARC CCI in SAARC Committee of Experts Meeting on March 3, 2008 in New Delhi (vi) Meeting with Sheelkant Sharma, Secretary General at SAARC on April 2, 2008 in Nepal (vii) Meeting with Sohail Amin, Ambassador of Pakistan in Nepal on April 3, 2008 in Kathmandu (viii) Meeting with Kush Kumar Joshi, New

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President of FNCCI on April 3, 2008 in Kathmandu and (ix) President, SAARC CCI visit of SARC Chamber Craft Village on April 3, 2008 in Kathmandu.

Decision: Executive Committee Members appreciated activity undertaken by SAARC CCI Secretariat and activities of President, SAARC CCI.

Agenda Item 04: To review activity undertaken by SAARC CCI Council:

Director SAARC CCI appraised the house about the SCWEC activity undertaken after 42nd Executive Committee meeting in New Delhi, India. This include a Seminar on Global Opportunities – A Boon for Women Entrepreneurs organized by SCWEC on Feb 13, 2008 in New Delhi.

Decision: President, SAARC CCI and Executive Committee members recognized and appreciated activities of SCWEC and emphasized on activating and to reconstitute the councils.

Agenda Item 05: To review details of donation and fund generated by SAARC CCI after taking over of Mr. Tariq Sayeed as President, SAARC CCI:

President, SAARC CCI informed his plan of activities for generation of funds and strengthening SAARC CCI. These initiative/funds generated includes (a) USD 7000/- contribution by President, SAARC CCI on behalf of members representing Pakistan (b) Introduced Business Visa Facilitation Charges Rs.500/- for each visa from members of SAARC CCI and from non- members Rs. 2000/- (c) Recovered outstanding fee Rs. 122,248/- (USD 2,004/- approx) of SAARC Visa Exemption Sticker for the year 2007 (d) Received fee for issuance of SAARC Visa Exemption Sticker for year 2008 during period 13 January to 31 March, 2008 Rs. 1,291,418/- (USD 21,170/- approx) and (e) Life membership fee of newly entered members received Rs. 3,660,000/- from Pakistan and Rs. 13,725,000/- from Bangladesh (USD 285,000/- approx). President, SAARC CCI appreciated financial contribution by Friedrich Naumann Stiftung and informed that soon after completion of building SAARC CCI will be able to generate its funds for long term sustainability. President also

express thanks to FBCCI for making seventy five new life members of SAARC CCI from Bangladesh and Mr. Imtiaz Mirza, CEO Metro-Gujrat (Pakistan) for donating a motorcycle as gift to SAARC CCI. Executive Committee also appreciated the efforts of President, SAARC CCI in increasing corporate funding for SAARC CCI publications.

Decision: Executive Committee Members appreciated initiatives of President, SAARC CCI for generation of funds for SAARC CCI.

Agenda Item 06: To review and approve proposal for appointment of Secretary General at SAARC CCI:

Executive Committee members authorized President, SAARC CCI to take decision of appointment of Secretary General at SAARC CCI subject to availability of financial resources at SAARC CCI Secretariat.

Decision: Executive Committee Members authorized President, SAARC CCI to take decision of appointment of Secretary General at SAARC CCI subject to availability of financial resources at SAARC CCI Secretariat.

Agenda Item 07: To review and approve proposal of revised salary structure of SAARC CCI Staff:

Executive Committee members agreed and authorized President, SAARC CCI and Vice President, SAARC CCI from Pakistan to take appropriate decision on proposed salary structure of SAARC CCI staff subject to availability of financial resources at SAARC CCI Secretariat.

Decision: Executive Committee Members agreed and authorized President, SAARC CCI and Vice President, SAARC CCI from Pakistan to take appropriate decision on proposed salary structure of SAARC CCI staff subject to availability of financial resources at SAARC CCI Secretariat.

Agenda Item 08: To review proposed plan of activity on case studies assigned to member federations/chambers of SAARC CCI:

Executive Committee reviewed plan of activity on case study submitted by Federation of Nepalese Chamber of Commerce and Industry (FNCCI). SAARC CCI has principally agreed to the proposal

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of FNCCI. However, due to scarcity of resources SAARC CCI will not be able to make any financial contribution/commitment and agreed that SAARC CCI will support all initiatives to generate financial resources for effective implementation of program. However, the proposal will be further discussed in detail in presence of FNCCI representatives and plan of action will be finalized accordingly.

Agenda Item 09: To finalize SAARC CCI Building design after the presentation of Architect's:

Three presentation were given by the Architect's these included (i) Resources & Engineering Management Corporation Private Limited (REMCO) by Engr. Ahsan Yousaf Khan (ii) Land Mark Consultants by Mr. Khalid A. Rehman and (iii) Pervaiz Iqbal & Associates by Mr. Salman.

Decision: Executive Committee Members provided complete authority to the building Committee members from Pakistan to take appropriate decision on selection of SAARC CCI's building design and plan for construction.

Agenda Item 10: To approve request of businessmen from Bangladesh, India and Pakistan to become life member of SAARC CCI:

Decision: Executive Committee approved the request of businessmen from Bangladesh, India & Pakistan to become Life Member of the SAARC CCI.

Agenda Item 11: To decide date and venue of next EC meeting:

Mr. Nawaj Rajabdeen, Vice President, SAARC CCI and President FCCISL agreed to host the 44th Executive Committee and 13th General Assembly Meeting of SAARC CCI in Colombo-Sri Lanka during August 2008. However, the final date for the proposed meetings will be communicated to SAARC CCI Secretariat shortly.

Decision: Mr. Nawaj Rajabdeen, Vice President, SAARC CCI and President FCCISL agreed to host the 44th Executive Committee and 13th General Assembly Meeting of SAARC CCI in Colombo-Sri Lanka during August 2008.

Agenda Item 12: Any other matter with the permission of the Chair;

■ **Chairman for 3rd SBLC Steering Committee:**

Executive Committee members agreed and authorised Mr. Tariq Sayeed, President, SAARC CCI who will decide and designate Chairman for 3rd SBLC Steering Committee.

■ **SAARC CCI Financial Statement:**

President, SAARC CCI advised SAARC CCI Secretariat to submit details of SAARC CCI accounts on quarterly basis to Mir Nasir Hossain, Sr. Vice President, SAARC CCI from Bangladesh and Chairman Finance Committee of SAARC CCI.

Mir Nasir Hossain, Sr. Vice President FBCCI and President FBCCI and Mr. Nawaz Rajabdeen, Vice President, SAARC CCI and President FCCISL appreciated SAARC CCI Secretariat and FPCCI for offering generous hospitality to them. President, SAARC CCI announced the adjournment of the 43rd Executive Committee meeting with a thank-you note for Federation of Pakistan Chamber of Commerce & Industry (BCCI) for making all the arrangements as well as offering warm hospitality.

Seminar on Economic Freedom: A Stimulator in Achieving Business Excellence in South Asia:

Hon'ble Syed Yousaf Raza Gillani, Prime Minister of Islamic Republic of Pakistan inaugurated the Seminar on "Economic Freedom: A stimulator in achieving business excellence in South Asia" was held in Lahore, Pakistan on April 16, 2008. The Seminar was organized by SAARC Chamber of Commerce & Industry (SAARC CCI) in collaboration with the Federation of Pakistan Chambers of Commerce & Industry (FPCCI) supported by Freidrich Naumann Stiftung (FNSt). The seminar was also addressed by Tariq Sayeed, President, SAARC CCI, Tanvir A. Shiekh, President FPCCI, Peter Andreas Bochman, resident representative of FNSt in Pakistan. The technical session of the Seminar was addressed

Activities Sum Up



by Inaam ul Haque, Adjunct Prof. International Trade Law, Punjab University Law College & Formerly Executive Director, World Bank, Subodh Kumar, Executive Program, Friedrich Naumann Foundation (FNF). The seminar was attended by government officials, international experts, academia, economists, bankers, media personals, heads of leading business houses and representatives of chambers associations from the region.

The objective of the seminar was to create awareness amongst the stakeholders and the policy makers about the concept of Economic Freedom and associated benefits of economic liberalization in the region.

Conference on Deepening Economic Cooperation for Regional Integration:

The Conference on Deepening Economic Cooperation for Regional Integration was held in New Delhi, India on July 24, 2008, as a precursor to the 15th SAARC Summit in the first week of August, 2008 at Colombo which highlighted the expectations of Business Community from the Summit. The conference was organized by SAARC CCI in collaboration with FICCI, Research & Information System for Non-aligned and other developing countries (RIS) in New Delhi and was supported by Friedrich Naumann Foundation (FNF). Mr. Tariq Sayeed, President, SAARC CCI addressed the inaugural session as the keynote speakers.

Different sessions of the conference were mainly covering the themes i.e. Vision for South Asian Cooperation and Development, deepening South Asian Economic Cooperation: Business

Opportunities and Challenges and exploiting potential of Regional cooperation: issues in Physical Connectivity, Facilitation and Energy Cooperation.



The panelists of the conference included Ambassador L.K. Ponappa, Vice Chairperson, RIS and Deputy National Security Advisor, GOI, Shri Jairam Ramesh, Hon'ble Minister of State for Commerce and Power, India, Mr. Rajeev Chandrasekhar, M.P. and President FICCI, Dr. Arjun Sengupta, M.P. and Chairman, RIS, Dr. Kamal Hossain, Former Minister of Foreign Affairs, Bangladesh, Mr. Nihal Rodrigo, Advisor to President of Sri Lanka & Former SAARC Sectary General, Sri Lanka, Dr. Bekh Bahadur Thapa, Former Minister of Foreign Affairs, Nepal, Mr. Rajeev Kher, Joint Secretary, Ministry of Commerce and Industry, Govt. of India, Dr. Khaya Bhattacharya, Joint Secretary, Ministry of External Affairs, Govt. of India, Dasho Ugen Tshechup Dorji, Immediate Past President-SAARC CCI, Mr. M.K. Saharia, EC Member-SAARC CCI, Mr. Suraj Vaidya, V.P.-SAARC CCI, Mr. Nawaz Rajabdeen, President-FCCISL, Mr. Annisul Haq, President-FBCCI, Mr. Ismail Asif Executive Board Member-MNCCI, Mr. Sultan Chawala, Life Member-SAARC CCI, Dr. Ram Upendra Das, Fellow, RIS-India, Mr. Muchkund Dubey, President CSD-India, Dr. Saman Kelegama, Executive Director-IPS-Sri Lanka, Mr. Vikramjit Singh Sahney, Corporate President-Sun Group, Sun International and Mr. Sunil Duggal, CEO, Dabur India Ltd. The other participants from Pakistan include Mr. Faiz Rasool Khan (Late), Member, EC- SAARC CCI, Mr. Muhammad Asghar Chaudhry, Mrs. Khoula Naeed Ahmed and Mr. Naeem Ahmed.

Activities Sum Up

MOU Signed by SAARC CCI and ECO CCI for Economic/Commercial Cooperation:

MOU Signed by SAARC CCI and ECO CCI for Economic/Commercial Cooperation in Karachi, Pakistan on July 23, 2008. The ceremony was held in FPCCI head office in Karachi. Mr. Iqbal Tabish, SG-SAARC CCI signed the agreement on behalf



of SAARC CCI, with his counter part Mr. Mehmet Sekran Sorguc, SG-ECO CCI. This is first of its kind of MOU which was signed by its regional chambers in presence of members Executive Committee ECO CCI. Mr. Rifat Hisarciklioglu, Chairman ECO CCI was also present at occasion and the term MOU and as an Instigation of new era of cooperation between two regional blocs. The MOU for economic/commercial cooperation was aimed at exchanging information, strengthening of economic cooperation in the areas of trade, industry, services, concrete forms of cooperation, to conduct special seminars, symposium, negotiations for business representatives, delegation Visit, assistance for the settlement of disputes between their members due to commercial, economic and industrial interactions and to carry out the purposes and objectives of this Agreement. It was also agreed that ECO-SAARC Joint Economic cooperation committee shall be set up by the ECO CCI and the SAARC CCI with a view to increase trade and remove bottlenecks with the regions. The MOU also recommended initiating of above mentioned activities and decided that the meeting of this joint committee will take place on a regular basis.

SAARC CCI Strategy Planning Workshop:

A two days Strategy Planning Workshop for SAARC CCI was held in Colombo, Sri Lanka on

August 25th - 26th, 2008. It was organized for the capacity building of the SAARC CCI office bearers and to enhance their role in institutional development. The workshop was prepared by SAARC CCI in collaboration with FNF. Since, strategic planning for institutional building has always been one of the prime objectives of the incumbent management in SAARC CCI chaired by Mr. Tariq Sayeed and Mr. Iftikhar Ali Malik, Vice President.



The workshop was attended by two representatives from each SAARC member country. In addition to President and Vice President, SAARC CCI, other representatives from EC/GA members included Mr. Zubair Ahmad Malik, Mr. Faiz Rasool Khan (Late) and Sheikh Sahkeel Ahmad Dhingra from Pakistan, Mr. M.K. Saharia and Mr. Manish Mohan from India, Mr. Bap Kinga, Vice President, SAARC CCI and Mr. Yeshey Norbu from Bhutan, Mr. Suraj Vaidya, Vice President, SAARC CCI and Ms. Pramila Rijal from Nepal, Mr. Kosala Wickramanayak and Mr. Tissa Jayaweera from Sri Lanka participated in the Workshop.

The strategy workshop was planned and facilitated by Dr. Peter Schroder, a renowned German Consultant and strategist, who presented SWOT analysis supported by working session in the planning workshop. The facilitator focused on development of time-action plan and on implementation of the strategic plan. Dr. Rene Klaff, Regional Director-South Asia and Mr. Subodh Kumar, Executive Programs FNF was also present in workshop.

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44th Executive Committee Meeting of SAARC CCI:

44th Executive Committee Meeting of SAARC CCI was held in Colombo, Sri Lanka, on August 27, 2008 under the chairmanship of Mr. Tariq Sayeed, President, SAARC CCI. The meeting was attended by Vice Presidents, EC members and life members of SAARC CCI. The meeting commenced with the President, SAARC CCI welcoming all the participants in the Executive Committee meeting.



President, SAARC CCI with the consent of EC members approved participation in future EC Meeting of SAARC CCI of the following office bearers: VP SAARC CCI, EC members SAARC CCI and maximum six life members of SAARC CCI nominated by NMB's.

Agenda Item 01: To approve agenda of 44th EC meeting of SAARC CCI:

The EC, members approved the agenda of the meeting.

Agenda Item 02: To approve minutes of the 43rd EC Meeting held at Lahore on April 16, 2008:

Mr. Tanvir Ahmed Sheikh, President FPCCI, proposed the adoption of the minutes. Mr. S. N. Agarwal, Vice President, SAARC CCI from India seconded the motion.

Decision: President, SAARC CCI announced adoption of the minutes of the 43rd Executive Committee meeting.

Agenda Item 03: To review activities undertaken by SAARC CCI Sectt after 43rd EC Meeting:

Secretary General SAARC CCI appraised the house about the activities undertaken after 43rd Executive Committee meeting held in Lahore, Pakistan on April 16, 2008. This includes (1) Seminar on Economic Freedom: A stimulator in achieving business excellence in South Asia, April 16, 2008, Lahore-Pakistan, (2) SAARC CCI Delegation participated in 4th World Islamic Economic Forum, April 29th to May 1st, 2008, Kuwait, (3) A dinner hosted in honor of President, SAARC CCI by PBC, May 5th, 2008, Dubai, (4) President, SAARC CCI addressed the Seminar on "Quantification of Benefits from Regional Cooperation in South Asia", May 6th, 2008, Pakistan, (5) RCCI hosted a lunch in honor of President, SAARC CCI, May 7th, 2008, Pakistan, (6) Director General, FTIP called-on President, SAARC CCI, May 9th, 2008, Pakistan, (7) President, SAARC CCI called-on Mr. Shahid Khaqan Abbasi, Commerce Minister, Government of Pakistan, May 9th, 2008, Pakistan, (8) President, SAARC CCI addressed Pre-budget Seminar, May 12th, 2008, Pakistan, (9) Delegation of PakTurk Businessmen Association called-on President, SAARC CCI, May 13th, 2008, Pakistan, (10) President, SAARC CCI met EU delegation, May 15, 2008, Pakistan, (11) MD Pak China Investment Company Limited called-on President, SAARC CCI, May 16, 2008, Islamabad, (12) ITC Team called on President, SAARC CCI on May 19, 2008, Islamabad, (13) President, SAARC CCI called-on Hon'ble Mr. Syed Yousaf Raza Gillani, Prime Minister of Pakistan, June 3, 2008, Islamabad, (14) The 3rd China-South Asia Business Forum, Economic Cooperation Between China and South Asia: Opportunities and Challenges organized by the China Council for the Promotion of International Trade (CCPIT) and the SAARC Chamber of Commerce & Industry (SAARC CCI), June 5th, 2008, Kunming & a delegation of eight leading businessmen from Pakistan with President, SAARC CCI attended the 16th Session of China Import & Export Fair, June 6th, 2008, Kunming, (15) President, SAARC CCI addressed Chambers Competition Award arranged by FCCISL, 27th June, 2008, Colombo, Sri Lanka, (16) President, SAARC CCI met Hon'ble Mr. Kanera Valgam, Sri Lankan Minister of

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Textiles and Industries Development, June 27, 2008, Colombo-Sri Lanka, (17) President, SAARC CCI addressed Sri Lanka Economic Summit-2008, 3rd July 2008, Colombo, Sri-Lanka, (18) President, SAARC CCI called on Mr. Shahzad A. Chaudary, Pakistan High Commissioner, 3rd July 2008, Colombo-Sri Lanka, (19) President, SAARC CCI visited FCCISL, July 2008, Colombo-Sri Lanka, (20) President, SAARC CCI visited Exhibition and Convention Centre, July 2008, Colombo-Sri Lanka, (21) President, SAARC CCI met with Mr. Arif Allouidin, the newly appointed CEO, Alternative Energy Development Board (AEDB), 16th July 2008, Islamabad-Pakistan, (22) President, SAARC CCI addressed the Conference on Deepening Economic Cooperation for Regional Integration, 24th July, 2008, New Delhi organized by SAARC CCI in-collaboration with FICCI & RIS-India, (23) CBC and SAARC CCI's launched a Report on Regional Trade in South Asia during July 2008, (24) SAARC CCI and ECO CCI signed MOU for Economic/Commercial Cooperation on July 23, 2008, Karachi-Pakistan.

Decision: Executive Committee Members appreciated activity undertaken by SAARC CCI Secretariat and activities of President, SAARC CCI.

Agenda item 04: To review activity undertaken by SAARC CCI Councils:

Secretary General SAARC CCI appraised the house about the SCWEC activities undertaken after 43rd Executive Committee meeting held on April 16, 2008 in Lahore, Pakistan. This includes (a) Branding and Marketing for Women entrepreneurs, June 21, 2008, Chennai-India (b) Kalamkari Hand Panting Program, July 1, 2008, Tiruchanur-India, (c) One month training program in Cathedral window Quilt, July 2, 2008, Chennai-India. A detailed presentation of SCWEC activities were presented by a representative of SCWEC member from Sri Lanka on behalf of SCWEC Chairperson in the EC meeting.

Decision: President, SAARC CCI and Executive Committee members appreciated activities of SCWEC.

President, SAARC CCI initiated the proposal, stating that augmenting role of Life Members in the

activities of the SAARC CCI will bring knowledge and expertise and help elevate image of the institution and streamline its activities in line with the requirements of business community. President also suggested that a limited number of Life Members be invited to GA/EC Meeting so that they could share their vision and effectively play their role in activities of the organization.

Decision: President, SAARC CCI with the consent of the house approved participation of 2 life members of SAARC CCI nominated by each NMB's in future AG/EC Meetings of SAARC CCI in addition to VPs and EC members. It was further decided that Secretariat will circulate information about EC meeting to all Life members, who will also be invited to participate in all the activities of SAARC CCI.

Agenda Item 06: To reconstitute Councils of SAARC CCI (Other than SCWEC):

In view of creating more complementarities for regional cooperation in the areas of mutual interest, the reconstitution of Councils on Tourism, Construction Industry Environment, Textile, Information Technology, Tea, Leather Industry, ICT Council, Small and Medium Enterprises Council.

Decision: The President in consultation with EC members approved reconstituting of the above Councils in line with the rules and regulations (placed in the 40th Meeting of EC on 21st August 2007) and asked the Secretariat to seek fresh nomination from National Member Bodies to form Executive Board, which will elect Chairmen of the respective Councils.

Agenda Item No 7: To review proposal of DHL for constituting a Trade Facilitation Council:

The representative of DHL, India briefly presented the idea of constituting Council on Trade Facilitation, which was found as a productive approach to promote regional cooperation.

Decision: President, SAARC CCI and Executive Committee members principally approved the proposal of DHL for constituting Trade facilitation Council and offered for submitting a detailed proposal in the forthcoming EC Meeting.

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Agenda Item No 08: To update the EC about 3rd SAARC Business Leaders Conclave:

Mr. M. K. Saharia, EC Member & Chairman of 3rd SBLC Steering committee and Mr. Sultan Chawla, Co-Chairman of 3rd SBLC Steering committee appraised the house with the latest development in respect of the event and informed the house about the decision of the Steering Committee Meeting held yesterday, the 26th August 2007 at Colombo.

Decision: President, SAARC CCI and Executive Committee members agreed to organize the 3rd SBLC in February 2009 in Pakistan. It also agreed to invite Hon'ble President of Sri Lanka to address the concluding session of the Conclave as the Chair of SAARC. It was also decided that Mr. Nawaz Rajabdeen, VP- SAARC CCI (Sri Lanka) and FCCI, SL will facilitate the proposed call on by SAARC CCI delegation headed by president to Hon'ble President of Sri Lanka.

Agenda No 09: To consider and approve proposal of SAARC Business Excellence Awards:

Secretary General, SAARC CCI put forth the proposal for initiating SAARC Business Excellence Award the basic purpose of which was to encourage importers & exporters of the SAARC region and to enhance their role in the economic activities of the region and to provide an ample opportunity to bring gems and the brilliance of SAARC business community into limelight and will also generate sufficient funds to make SAARC CCI a financially energized institution, enabling it to expand sphere of its activities, which so far are limited on account of financial constraints.

Decision: President, SAARC CCI and Executive Committee members appreciated and approved proposal of SAARC Business Excellence Awards.

Agenda Item No 10: to appraise the members on current status of SAARC CCI building:

President, SAARC CCI complimented Imm. Past Sr. Vice President of SAARC CCI Mr. Sheikh Jamil Mahboob Magoon, for his efforts to acquire land on the subsidized rates for construction of SAARC CCI Building. President asked SAARC CCI Secretariat to circulate all financial estimate and

design for construction of SAARC CCI building to members of SAARC CCI for their suggestions.

Decision: President, SAARC CCI and Executive Committee members appreciated effort of Imm. Sr. Vice President of SAARC CCI Mr. Sheikh Jamil Mahboob Magoon regarding plan of construction of SAARC CCI building.

Agenda Item No 11: To approve request of businessmen from Bangladesh, India and Pakistan to become Patron and Life Member of SAARC CCI:

President, SAARC CCI appreciated Mir Nasir Hossain, Snr. Vice President and Chairman, Finance Committee, SAARC CCI for his efforts to enhance Life Membership who in addition to 81 applicants early this year brought further 18 applications for Life Membership. The president also requested Vice President, SAARC CCI from India to encourage the life membership and get at least 100 membership by the end of this year. President FPCCI also proposed that each National Member Body will ensure 100 memberships by next year.

Decision: President, SAARC CCI and Executive Committee members approved the request of businessmen from Bangladesh, India and Pakistan to become Patron and Life member of SAARC CCI. National Member Body will ensure 100 memberships by next year.

Agenda Item No 12: To consider and approve the budget of SAARC CCI for the year 2008:

Mr. S.N. Agarwal, Vice President, SAARC CCI appreciated the President for his financial reforms introduced at SAARC CCI Secretariat, which helped generating considerable fund the institution. Since the budget could not be presented to Chairman Finance Committee before its presentation to EC Meeting for review, the President deferred the item to the forthcoming meeting of EC. He also suggested the appointment of Mr. M.K. Saharia, EC Member, as Co-Chairperson of SAARC CCI Finance Committee.

Decision: President, SAARC CCI deferred the approval of budget of SAARC CCI for 2008 to next Executive Committee meeting and appointed Mr.

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M. K. Saharia, EC Member, as Co-Chairperson of SAARC CCI Finance Committee.

Agenda Item No 13: To decide date and venue of next EC meeting:

Mr. Bap Kinga, Vice President, SAARC CCI from Bhutan agreed to host the 45th Executive Committee and 13th General Assembly meeting along with a one day Seminar on Energy in Bhutan during November 2008. However, the final dates for the proposed meetings and seminar will be communicated to SAARC CCI Secretariat shortly.

Decision: Mr. Bap Kinga, Vice President, SAARC CCI from Bhutan agreed to host the 45th Executive Committee and 13th General Assembly meeting of SAARC CCI in Bhutan during November 2008. Agenda Item No 14: Any other matter with the permission of the Chair:

Board of Trustees-Constitutional Matters / Advisory Board of SAARC CCI at NMBs

Mr. Macky Hashim, Past President, SAARC CCI from Sri Lanka while appreciating the incumbent management of SAARC CCI for their endeavours to initiate SAARC CCI Building project at Islamabad proposed Board of Trustees comprising Vice Presidents and Past Presidents of SAARC CCI as trustees of SAARC CCI proposed Building and also serve as advisers on important issues and constitutional matters, which come across time-to-time like inclusion of Afghanistan's National Chamber as NMB of SAARC CCI.

Mr. Nawaz Rajabdeen, Vice President, SAARC CCI from Sri Lanka endorsed the proposal and Mr. Shakeel Ahmed Dhingra, EC member SAARC CCI seconded the proposal.

Decision: Executive Committee approved the proposal.

SAARC CCI future Programs/Seminars

In response of query of Dr. René Klaff, Regional Director, South Asia-FNF regarding non-utilization of funds of FNF, President, SAARC CCI proposed future programs to be organized by SAARC CCI in-collaboration with NMBs with support of FNF in member countries. Vice Presidents of SAARC CCI from NMBs agreed to organize the proposed programs. List of the

proposed programs is as follows;

Program	Venue	Date
Seminar on Economic Freedom	Colombo	October 2008
Seminar on Trade Facilitation	Dhaka	October 2008
Institutional building workshop for In-charge SAARC CCI Desk	Nepal	November 2008
Seminar on Tourism	Nepal	November 2008
Seminar on Energy	Bhutan	November 2008

President, SAARC CCI appreciated support of FNF for organizing two days Strategy Planning Workshop for SAARC CCI VP and EC members before the EC meeting. President, SAARC CCI also acknowledged working and activities of Mr. Macky Hashim, Past President, SAARC CCI from Sri Lanka during his tenure and gave words for Mr. Hashim as "Best Past President of SAARC CCI". President, SAARC CCI announced the adjournment of the 44th Executive Committee meeting with a thank-you note for Federation of Chamber of Commerce and Industry of Sri Lanka (FCCISL) for their cooperation.

Seminar on Economic Freedom in South Asia: A Springboard for Socio-Economic Development:

Seminar on Economic Freedom in South Asia: A Springboard for Socio-Economic Development was held in Colombo, Sri Lanka on October 16, 2008. The seminar was organized by SAARC CCI in collaboration with FCCISL and supported by FNF. The seminar was aimed to encourage individual and institutional liberty in the economic sphere, leading to both Human Development and Economic growth through enhanced economic



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cooperation amongst the member states of the SAARC.

The Seminar's inaugural session was addressed by the Hon'ble Prof. G. L. Peiris, Minister of Intl. Trade and Export Development of the Govt. of Sri Lanka. The speakers of the Seminar mainly included, Mr. Sherab Tenzin, Joint Director, Department of Trade-Bhutan, Mr. Subodh Kumar, Executive Programs-FNF-India, Dr. Sirimal Abeyrathne, Senior Lecturer, Economic Affairs, University of Colombo-Sri Lanka, Mr. Indrajith Fernando, President, Confederation of SAARC Apex Bodies in Sri Lanka, Ms. Huma Fakhar, Managing Partner-MAP Services Group-Lahore, Prof. Rohan Samarajiva, Executive Director, LIRNE ASIA and Dr. Posh Raj Pandey, President, South Asia Watch on Trade Economics and Environment (SAWTEE), Nepal.

The other respected participants of the occasion were Mr. Kosala Wickramanayake, President FCCISL, Mr. A Kumar Mallimaratchi, Vice President FCCISL, Mr. Samantha Abeywickrama Secretary General, FCCISL, Mr. Tissa Jayaweera, EC member SAARC CCI and Chairman, International Chamber of Commerce and Deshabandu Macky Hashim, Past President of SAARC CCI and Mr. Iqbal Tabish, Secretary General SAARC CCI. The seminar brought together academic experts, business professionals, members of SAARC CCI from all SAARC countries to share views and participated in the open discussion with the other participants. (Find a detailed report of the seminar in SAARC CCI 'Focused Areas of 2008' on page No. 45)

Seminar on Trade Facilitation in South Asia:

SAARC CCI Seminar on Trade Facilitation in South Asia was held in Dhaka, Bangladesh on October 19, 2008. The seminar was organized by SAARC CCI in collaboration with FBCCI and supported by FNF. The Seminar's inaugural session was addressed by the Chief Guest Hon'ble Dr. Hossain Zillur Rahman, Advisor, Ministry of Commerce & Education, Govt. of Bangladesh. Mir Nasir Hossain, Sr. Vice

President, SAARC CCI & Immediate past President, FBCCI, Mr. Annisul Huq, President FBCCI and Mr. Iqbal Tabish, SG-SAARC CCI also addressed the inaugural session.



The speakers of the seminar's sessions mainly included Syed Manzur Elahi, Former Advisor to the Caretaker Government of Bangladesh, Syed Saifuddin Hossain, Sr. Research Associate, CPD-Bangladesh, Ms. Huma Fakhar, Managing Partner-MAP Services Group-Pakistan, Dr. Sachin Chaturvedi, Fellow, RIS-India, Mr. Mahabubur Rahman, President, ICC-Bangladesh & Past President-FBCCI, Mr. Kumar Mallimaratchi, Managing Director, Associate Hotels Lanka Ltd-Sri Lanka and Dr. Posh Raj Pandey, President, South Asia Watch on Trade Economics and Environment (SAWTEE), NEPAL. (Find a detailed report of the seminar in SAARC CCI 'Focused Areas of 2008' on page No.51)

Conference on India-Pakistan Economic Relations:

Conference on India-Pakistan Economic Relations was held in New Delhi, India on November 12, 2008. It was jointly organized by SAARC CCI with FICCI and supported by FNF. The conference was inaugurated by Mr. Kamal Nath, Federal Minister for Commerce, India. Mr. Tariq Sayeed, President, SAARC CCI also addressed the inaugural session and urged upon the Govt. of Pakistan and India to sign Bilateral Investment Treaty to foster economic cooperation, which will also motivate other countries of the region to promote intra-regional trade and

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investment. He also emphasized for "promotion of mobility of people particularly business community of the region and in this regard demanded of the Government of India and Pakistan to issue 5 years multiple visa for 500 businessmen and to increase number of SAARC Visa Exemption Stickers from 100 to 300, in response of which Indian State Minister for Commerce & Power, Mr. Jairam Ramesh ensured his full support. The inaugural session was also addressed by Mr. Rajeev Chandrasekhar, Member of Parliament & President FICCI, Mr. Onkar S.Kanwar, President, India-Pakistan CCI. Earlier, Mr. Singhania, Sr. Vice President-FICCI in his welcome address presented 10-point agenda to enhance economic cooperation.



Prominent speaker at the conference were Mr. Shahid Malik, High Commissioner of Pakistan in India, Mr. Tanvir Ahmed Sheikh, President FPCCI, Mr. S.M. Muneer, the newly elected President of India-Pakistan Chamber of Commerce & Industry. Dr. Amit Mitra, SG-FICCI and the eminent economist moderated the inaugural session. FPCCI delegation led by Mr. Tanvir Ahmad Sheikh comprised 75 leading business from Pakistan. (Find a detailed report of the seminar in SAARC CCI 'Focused Areas of 2008' on page No. 59)

Seminar on Energy Trade in South Asia: Prospects and Challenges for Regional Integration:

A Seminar on Energy Trade in South Asia-Prospects and Challenges for Regional Integration was held in Karachi, Pakistan on November 17, 2008, organized by SAARC CCI in collaboration with FPCCI and supported by FNF.

The seminar was inaugurated by Hon. Mr. Raja Pervaiz Ashraf, Minister of Water and Power-Pakistan and addressed by Mr. Tariq Sayeed President-SAARC CCI, Mr. Zubair Tufail, Vice President-FPCCI and Mr. Naveed Ismail, CEO KESC.



Number of energy sector representative from Pakistan attend the seminar, speakers from SAARC member countries gave their presentations in two working sessions. Session-I focused on Technical and Financial constraints in production and supply of energy-options and its possibilities and Session-II addressed the prospects and possibilities of energy trade in SAARC Countries.

The speakers of the event were Dr. Rafique Ahmed Khan, Professor of Economics - Pakistan Air Force Karachi Institute of Economics and Technology, Karachi, Pakistan, Dr. Romeo Pacudan, Senior Advisor - AEDB-GTZ-BMZ - Renewable Energy and Energy Efficiency Program, Islamabad-Pakistan, Mr. Nisar Sheikhan, Chairman-SITE Association of Industry, Karachi, Pakistan, Engr. Mr. Riasat Ali Changezi, Standards & Certifications Specialist - Advisor to Ministry of Science and Technology on standards, Karachi, Pakistan and Dr. A. K. M. A. Quader, Professor of Chemical Engineering - Bangladesh University of Engineering & Technology (BUET), Bangladesh. The seminar was moderated by Capt. Abdul Rashid Abro and Mr. Engr. M.A. Jabbar, Life Members - SAARC CCI. (Find a detailed report of the seminar in SAARC CCI 'Focused Areas of 2008' on page No. 73)

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SAARC CCI Lecture Series on the Prospects and Challenges for Regional Integration in South Asia:

SAARC CCI Lecture Series on the Prospects and challenges for regional integration in South Asia was held in Lahore, Pakistan on November 22, 2008. It organized by SAARC CCI and supported by FNF. Lecture Series was an activity of SAARC CCI to familiarize the concept of regional cooperation and issues at stake in the region's socio economic development. Lecture Series was a forum where government officials, senior diplomats, business leaders, academics, professionals, civil society representatives etc. met and shared views to make SAARC a prosperous region.



Mr. Iftikhar Ali Malik, Vice President-SAARC CCI addressed the inaugural session of the lecture series, it was moderated by Dr. Hafeez Pasha, Dean Faculty of Economics, Beachonhouse National University (Lahore) and former finance Minister Govt. of Pakistan. The other discussant at the occasion was mainly involve Dr. Abid Qaiyum Suleri, Executive Director, SDPI-Islamabad, Ms. Huma Fakkhar, Managing Partner, MAP –Services-Lahore and some valuable suggestions and recommendations for policy making was discussed by Dr. Ayub Mehar, Professor, IQRA University, Karachi.

Roundtable on SAFTA: Efforts for Trade Liberalization in South Asia & Way Forward:

The Roundtable on SAFTA: Efforts for Trade Liberalization in South Asia & Way Forward was

held in Colombo, Sri Lanka on November 28, 2008 and was organized by SAARC CCI in collaboration with FCCISL, supported by FNF. Hon. Prof. G. L. Peiris, Minister of International Trade and Export Development of the Government of Sri Lanka inaugurated the roundtable. Earlier, Mr. Muhammad Iqbal Tabish SG-SAARC CCI presented the introductory remarks, Mr. Kosala Wickramanayake, President FCCISL gave the welcome address and appreciated SAARC CCI for gearing up activities, befitting to the entire business community of the South Asia. Mr. Macky Hashim, Past President SAARCCI and FCCISL in his concluding remarks said that liberalization was important forerunner of Economic Development. The inaugural session was followed by technical session on Removal of Irritants/ Bottlenecks from Trade under SAFTA: country initiatives, which was chaired by Mr. Macky Hashim while presenters like Mr. Kazi Mahmudur Rehman, Senior Research Associate, CDP-Bangladesh, Ms. Nisha Taneja, Professor, ICRIER-India and Dr. Deshal De Mel Research Officer, IPS-Sri Lanka gave presentation on the subject matter and after identification of barriers gave policy suggestions as well.



The session on Quantification of benefits from Services under SAFTA was chaired by Mr. Tissa Jayaweera Sr. Vice President FCCISL in which Mr. Muhammad Iqbal Tabish, SG-SAARC CCI, Dr. Ananya Raiha, Executive Director, D. Net-Bangladesh, Mr. Neil Bagedaragamage, DG-Department of Commerce-Sri Lanka presented their papers that how Services could serve more than trade in terms of economic integration of South Asia. (Find a detailed report of the seminar in SAARC CCI 'Focused Areas of 2008' on page No.67)

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SAARC CCI's Annual Strategy Workshop on Institutional Building, 2008:

SAARC CCI's Annual Strategy Workshop on Institutional Building-2008 for In-charge SAARC CCI Desk was held in Kathamandu, Nepal on December 3, 2008. The purpose of organizing the workshop was capacity building and training of the incharge SAARC desk representing SAARC CCI's Headquarters, in all SAARC member countries who work closely with all the Federations of Chambers of Commerce and Industry in the region.



SAARC CCI Annual Strategy Workshop on Institutional Building – 2008 was moderated by Mr. Subodh Kumar, Executive Programmes FNF-India. The participants and officials participated in the workshop were representatives almost from all SAARC member countries like Ms. Sonam Cheki from BCCI-Bhutan, Mr. Ameet Kumar from FICCI-India, Shah Md. Maksudul Haque from FBCCI-Bangladesh, Mr. Maher Alam Khan from FPCCI-Pakistan, Mr. Ratish Basnyat from FNCCI-Nepal, Mr. Iqbal Tabish, Secretary General SAARC CCI and Mr. Zulfiqar Ali Butt, Program Associate-SAARC CCI.

23rd Anniversary of SAARC Charter Day, Seminar on Socio-Economic Prospects in the SAARC region – The Way Forward:

23rd Anniversary of SAARC Charter Day, Seminar on Socio-Economic prospects in the SAARC region – The Way Forward was held in Islamabad, Pakistan on December 22, 2008. It was organized by SAARC CCI. The day was celebrated with a commitment that SAARC will continue its role as a

facilitator to the private sector of the region and urged upon the eight nations of the region to work together to meet the common challenges .

SAARC Charter Day is being celebrated on 8th of December every year which reminds the perspective Governments of SAARC and its affiliated organizations to continue their efforts for achieving objectives of regional integration, cooperation and prosperity. The Chief Guest of the Seminar was Hon. Nawabzada Malik Amad Khan, Minister of State, Ministry of Foreign Affairs, Govt. of Pakistan. The seminar was participated and addressed by Mr. Tariq Sayeed President, SAARC CCI, Mr. Manpreet Vohra, Deputy High Commissioner, Indian High Commission in Pakistan, Mr. Bala Bahadur Kunwar, Ambassador-Embassy of Nepal in Pakistan, Mr. Majnoon Gulab, Deputy Head of Mission Afghanistan, Ms. Nizwee Rasheed, Second Secretary-High Commissioner of the Republic of Maldives in Pakistan, Mr. Aizaz Ahmad Chaudhry, Additional Secretary-Ministry of Foreign Affairs, Govt. of Pakistan, Dr. Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute, Islamabad and Mr. Zubair Ahmed Malik-EC Member-SAARC CCI.



The seminar was widely attended by the senior diplomats from SAARC member and observer countries in Pakistan, CEOs/Presidents of SAARC affiliated institutions, business leaders, academic experts, professionals and civil society representatives etc. who met and shared their views to make SAARC a prosperous region. (Find a detailed report of the seminar in SAARC CCI 'Focused Areas of 2008' on page No. 63)

Councils in Action

Seminar on Global Opportunities - A Boon for Women Entrepreneurs:

A Seminar on Global Opportunities - A Boon for Women Entrepreneurs was organized by SAARC Chamber Women Entrepreneur Council held in New Delhi, India on February 13, 2008. The purpose of the seminar was to appreciate the role of women entrepreneurs in the economic development of the respective countries and region as the promotion of women entrepreneurship is essential for the economic development of any country. The seminar highlighted the prominence of SAARC on women empowerment in its member nations, facilitation of connectivity between nations and expanding opportunities in the world especially among the South Asian countries.



The seminar was attended by Mr. Tariq Sayeed, President, SAARC CCI, where he also released SAARC activity report of SAARC Chamber Women Entrepreneurs Council. Referring a study conducted by Women's Council Interagency Committee on Women's Business Enterprise USA in 2006 he commended that the significant role women have played in recent economic prosperity and affirmed the fact that "countries with high levels of economic activity and with the highest start-up business rates are the ones where women are well-engaged in entrepreneurial activity and small businesses owned by women were focusing more intense efforts on exporting than are small businesses owned by men. He hoped that Women Entrepreneurs of SAARC region will proactively promote intra-regional trade within SAARC and help bringing all nations closer together.

Seminar on Branding and Marketing for Women Entrepreneurs:

A seminar on 'Branding and Marketing for Women Entrepreneurs' was held in Chennai, India on June 21, 2008. This seminar threw considerable light on the important aspects of Brand Equity, Marketing Linkages at Micro Level and Marketing Strategy and Networking. The speeches on the various



subjects were delivered by leaders like Mr. Arun Bewoor, President, Madras Chamber of Commerce & Industry, Ms. Vidhya Srinivasan, COO, Integrated Brand-Comm Pvt. Ltd. and Dr. Nabarun Ghose, Prof. of Marketing and Business, University of Findlay, Ohio, USA, in the respective fields who brought to bear their rich experience in steering successful large and multi national companies with interaction sessions among the participants. More than a hundred SHGs, SMEs and NGOs benefited from this Seminar.

SCWEC Training Programmes:

- **A one month training programme** in Cathedral Window Quilt for rural women of Tiruvottiyur, was held in Chennai, India on July 2, 2008. Around 20 women have participated in this programme and have enabled them to start earning for themselves.
- **Italian Lace Making valedictory function** was held in Hyderabad, India on June 24, 2008. Chief Guest was Sri. K. Rosaiah, Hon'ble Minister for Finance, Planning, Small Savings, Lotteries and Legislative affairs, Govt. of AP. 30 Poor and vulnerable women rescued from difficult condition underwent training at Hyderabad, in association with

Councils in Action



SATYAM Foundation.

- **Function of Kalamkari Hand Painting** at Kalam Creation Artisan Society was held in Thiruchanur, Andhra Pradesh, India on July 1st, 2008.

Seminar on Opportunities for Industrial & Infrastructure Development:

A seminar on 'Opportunities for Industrial & Infrastructure Development' was held in Dhaka, Bangladesh on October 18, 2008. The seminar was organized by SAARC Chamber Women Entrepreneur Council (SCWEC). During inaugural session, Chief Guest, Justice Mr. Habibur Rahman Khan suggested simplification of the visa system between the South Asian regions to ease transfer of goods and enhance trade. The main barrier to exporting goods to the neighboring countries and increasing regional trade is a difficult visa system of the member countries of the South Asian Association for Regional Cooperation (SAARC). Justice Khan stressed increasing economic cooperation between different regional



chambers and organizing fairs that would open new doors for the entrepreneurs. Mir Nasir Hossain, Vice President of SCWEC, said the South Asian Women entrepreneurs need to organize exchange regional exports.

Ms. V.L. Indira Dutt, Chairperson of SCWEC, Mr. Kamal Uddin Ahmad, Executive Chairman of the Board of Investment and Mr. Nasreen Awal Mintoo, the Former Chairperson of SCWEC were also presented at the seminar.

Exploring New Horizons

SAARC Committee of Experts Meeting:

SAARC Committee of Experts Meeting was held in New Delhi, India on March 3, 2008. Mr. Tariq Sayeed, President SAARC Chamber of Commerce & Industry (SAARC CCI) in accompany with Mr. Iftikhar Ali Malik, Vice President, SAARC CCI have urged upon the respective Governments of SAARC countries to play proactive role for removal of irritants and non-tariff barriers to foster regional economic integration if implementation of SAFTA was desired in true spirit. President, SAARC CCI also highlighted the constraints in doing business in the SAARC region and gave some valuable suggestions to the Committee to resolve the issues concerning the transport infrastructure, customs and harmonization of standards, visa facilitation, communication link, banking facilities and insurance and non-tariff barriers.

SAARC CCI Delegation at 4th World Islamic Economic Forum:

Mr. Tariq Sayeed, President, SAARC CCI addressed the "Parallel Session on SME's" at 4th World Islamic Economic Forum held in Kuwait during April 29 to May 01, 2008.

The session was chaired by Dr. Atef Obaid, Former Prime Minister of Egypt, and was also addressed by Mr. Tanri Abeng, Chairman and Founder, Executive Centre for Global Leadership and the Former State Minister of Indonesia. The inaugural session of the WIFE was opened with the key note address of H.H. Sheikh Sabah Al Ahmad Al-Jaber Al- Sabah, The Emir of the State of Kuwait. The inaugural session was attended and addressed by the dignitaries included H.M. King Abdullah II of the



Hashemite Kingdom of Jordan, H.E. Abdoulaye Wade, President of Senegal & Chairman, OIC, H.E. Hamid Karzai, President of the Islamic Republic of Afghanistan, H.E. Dr. Haris Silajdzic, President of Bosnia and Herzegovina Republic, Hon. Tun Musa Hitam, Chairman, WIEF & former Deputy Prime Minister of Malaysia.

Seminar on Quantification of Benefits from Regional Cooperation in South Asia, organized by FTIP & ADB-UNCTAD:

The seminar on 'Quantification of Benefits from Regional Cooperation in South Asia' was held in Islamabad, Pakistan on May 6, 2008. It was organized by Foreign Trade Institute of Pakistan



(FTIP) in collaboration with ADB-UNCTAD. The seminar was inaugurated by Mr. Shahid Bashir, Senior Joint Secretary, Ministry of Commerce. Dr. Safdar A. Sohail, Director General, FTIP, Mr. Tariq Sayeed, President, SAARC CCI and Mr. Peter L. Fedon, Country Head, ADB also addressed the inaugural session. The other speakers present at the seminar included Dr. Ishrat Hussain, Chairman, National Commission for Government Reforms of Pakistan Government, Ms. Kavita Iyengar, Regional Cooperation Specialist, ADB, Rashmi Banga, Economist, UNCTAD, Dr. Abid Qaiyum Suleri, Executive Director, SDPI, and Mr. Pratima Dayal, Principal Country Economist, ADB, India.

Exploring New Horizons

Pre-budget Seminar, Organized by FPCCI:

Mr. Tariq Sayeed, President, SAARC CCI addressed the 'Pre-Budget Seminar' held in Islamabad, Pakistan on May 12, 2008, the seminar was organized by the Federation of Pakistan Chambers of Commerce & Industry (FPCCI) in collaboration with Federal Board of Revenue (FBR). At the seminar President, SAARC CCI proposed a slogan to FBR "Pay tax, Revive economy" and asked the Government to officially declare 2008-09 as the year of economic renaissance. The Chief Guest of the seminar was Hon'ble Mr. Ishaq Dar, Federal Minister for Finance, Revenue Economic Affairs & Statistics, Government of Pakistan. Mr. Abdullah Yousuf, Chairman FBR, Mr. Tanvir Ahmad Sheikh, President FPCCI also addressed the seminar.



The 3rd China-South Asia Business Forum:

The 3rd China-South Asia Business Forum was held in China at Kunming, Yunnan province on June 5 2008 to enhance cooperation between South Asian region and China. SAARC CCI Delegation from Pakistan was comprised of 12 leading businessmen of the country led by Mr. Tariq Sayeed, President SAARC CCI along with Mr. Tanvir Ahmad Sheikh, President Federation of Pakistan Chambers of Commerce & Industry. President SAARC CCI delivered a key note speech at the forum on theme of "Economic Cooperation Between China and South Asia: Opportunities and Challenges" which was followed by the presentations made by the speakers from India, Sri Lanka and China on the issues like Globalization and Economic

Cooperation Between China and South Asia, Optimizing Investment Environment to Promote Industrial Cooperation, Role and Means for Trade Facilitation and Regional Economic Cooperation by Chambers and Trade Promotion Organizations, China- South Asia International Transportation and Logistics Development.



Chambers Competition Award in Colombo, organized by FCCISL:

Mr. Tariq Sayeed, President, SAARC CCI inaugurated the Chambers Competition Award in Colombo as Chief Guest of the ceremony held in Colombo, Sri Lanka on June 27, 2008. The event was organized by the Federation of Chambers of Commerce and Industry of Sri Lanka (FCCISL). These Awards were the first ever Chamber competition in Sri Lanka with the theme of 'rising above rest', which were awarded to the best projects implemented by regional chambers in recognition of the services rendered under 7 different categories e.g. Best public private partnership project, Best Unconventional Project for SMEs, Best CSR project, Best Skills Development Programme, Best New Membership Recruitment Programme, Best project for SME development and Best public private partnership project.

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Exploring New Horizons

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In addition to these categories, individuals who have contributed to the regional chamber movement were also awarded under other different categories i.e. Chamber pioneers, "Decade plus" and best services provider individual representing Public Sector. The idea of these Awards was inspired by winning the World Chamber award at the World Chambers Federation Competition, to create healthy competition in the country and fruitful to promote and enhance the confidence of businessmen and standards of Sri Lankan Chambers.

Sri Lanka Economic Summit-2008, organized by Ceylon Chamber of Commerce:

Mr. Tariq Sayeed, President, SAARC CCI was invited by Ceylon Chamber of Commerce as a Speaker on session "Trade and Investment Opportunities in SAARC" at Sri Lanka Economic Summit-2008 held in Colombo, Sri-Lanka on July 3 2008. During his address, Mr. Sayeed stressed that enhancement of trade and investment is inevitable for economic integration of SAARC, where enormous potential already exists in areas of

trade, investment and services, which need to be tapped in true perspective through pooling up resources and synergizing efforts at Government and Public sector level. However, he said that the potential of intra-regional trade can be tapped by implementing SAFTA in letter and spirit, which is the only available document that provides a tangible road map to achieve the objectives for which SAARC was created. Earlier Hon'ble Professor G.L. Pieris, Minister of Export Development & International Trade, Sri Lanka inaugurated the session that the Government of Sri Lanka had embarked upon highly liberalized policy, which had helped in attracting FDI.



8th SAARC Trade Fair, organized by FCCISL:

Mr. Tariq Sayeed, President, SAARC CCI urged to promote trade through Exhibitions while addressing the inaugural ceremony of 8th SAARC Trade Fair held in Colombo, Sri Lanka on August 28, 2008. Hon'ble (Prof) G.L. Peiris- Minister for Export Development and International Trade, Mr. Nawaz Rajabddin, President Federation of Chambers of Commerce & Industry, Sri Lanka also addressed the inaugural session.

President, SAARC CCI, appreciated the organizers for their splendid efforts to promote trade within the region by organizing SAARC trade fair and said that Fairs & Exhibition should regularly be organized, which will promote goods and services at one hand and establish a meaningful and effective relationship on the other. Earlier Mr. Nawaz Rajabdeen in his welcome

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address said that all SAARC nations are bound by a common legacy and our vision is to achieve economic growth, provide and opportunity for less endowed nations within the fold in particular, to achieve greater heights of economic advancement. He said that over the centuries the structure of trade fairs has undergone many revolutions and they have spread the world over. Trade fairs are today sophisticated promotional events with considerable ramification.

Hon'ble Minister Professor G.L. Peiris- Minister for Export Development and International Trade acknowledge the services of business community towards trade promotion which has helped poverty alleviation and promotion of jobs he regarded fairs and exhibitions as an effective tool to materialized economic cooperation in true perspective and hoped that the continuation of these events will bring business community together and helped achieved the targets envisaged under SAFTA.



Workshop on the Role of Private Sector in South Asian Economic Integration, organized by FICCI & ADB:

The Federation of Indian Chambers of Commerce & Industry (FICCI) organized a workshop on the 'Role of Private Sector in South Asian Economic Integration' in Colombo, Sri Lanka on October 16-17, 2008. It was organized in collaboration with Asian Development Bank. This meeting was attended by Mr. Muhammad Iqbal Tabish, Secretary General, SAARC Chamber of Commerce & Industry (SAARC CCI), Ms. Amita Sarkar, Snr. Director FICCI, Mr. Ganesh Wignaraja, Principal Economist - Office of Regional Economic Integration and

representatives of the National Chambers/Federations of the region.



Renowned economists and representatives of the South Asian Business community including Mr. Mackey Hashim, former President, SAARC CCI, Mr. Kosla Vikranaeky, President FCCISL and representatives of Asian Development Bank while addressing the sessions identified many areas, where Asian Development Bank could help promote greater economic cooperation in the region. As consequent of the workshop, SAARC CCI, FICCI and ADB will formulate a strategy in the areas of capacity build of regional chambers, carrying out study identifying non-tariff barriers, easing Visa regime in South Asia, trade facilitation.

International Business Conference, organized by DCCI:

International Business Conference was organized by Dhaka Chamber of Commerce & Industry (DCCI) in Dhaka, Bangladesh on October 31, 2008. This conference concluded the Golden Jubilee celebrations of DCCI. The basic theme of the International Business Conference was "The Next Fifteen Years - A Vision For Growth" and the purpose of this event was to bring movers & shakers of the business community inside and outside the SAARC together to discuss the current business environment with the government officials, politicians, academia, professionals and businessmen in an informal sitting to rethink the assumptions on which the private sector has based its future business plans.



Mr. Tariq Sayeed, President, SAARC CCI, participated as a speaker at session "Global Economic Shift to Asia- Regional Synergies" where he highlighted & identifies issues impeding growth of trade in the region. As the crucial economic crises of oil prices, food grains and economies are not only creating hurdles for the developed countries but hampering the developing world utmost. He was accompanied by Mr. Sultan Chawla, Life Member SAARC CCI, Mr. Saqib Fayyaz Maggoon, leading Businessman in Chemicals & Dyes Stuff, Mr. Ashfaq Ahmed, Chairman Pakistan-Bangladesh Joint Business Council, FPCCI and Mr. Iqbal Tabish, Secretary General, SAARC CCI.

Hon'ble Dr. Fakhruddin Ahmed, Chief Adviser to Government of Bangladesh, inaugurated the session as a Chief Guest. The session was chaired and addressed by Hon'ble Mr. Jairam Ramesh, State Minister of Commerce, India followed by Hon'ble (Prof) G. L. Peiris, Minister for export Development and International trade, Sri Lanka, Professor Rehman Sobhan, Chairman Central policy Department-a civil society think tank in Bangladesh, Mr. Dash Sonam Tshering, Secretary, Economic Affairs, Bhutan and was moderated by Dr. Hossain Zillur Rehman, Advisor for Commerce, Government of Bangladesh.

The speakers of the session highlighted the role of Asia in Global economy and identified Human Resource Development, institutional capacity building, enhanced productivity and greater regional cooperation as most important elements to transform Asia as an engine of Global economic growth.

Call-on the Commerce Minister, Government of Pakistan:

Mr. Tariq Sayeed, President, SAARC CCI met Hon'ble Shahzada Alam Monnoo, Commerce Minister, Government of Pakistan in Islamabad, Pakistan on February 26, 2008. The meeting was arranged to discuss in details the modern trends of regional trade in the light of SAFTA agreement and to communicate the perception of the SAARC business community that the region cannot prosper without attaining the goals of trade liberalization and economic integration of the SAARC member nations that requires some confidence building measures to bring about a positive and meaningful shift in the socio-economic outlook of South Asia to effectively contribute towards the much desired economic integration in SAARC. Mr. Sayeed admired the current governments of India and Pakistan for their earnest efforts in the form of series of composite dialogues to normalize the bilateral relations.

Call-on the Ambassador of Nepal in Islamabad:

Mr. Tariq Sayeed, President, SAARC CCI met H.E. Bala Bahadar Kunwar, Ambassador of Nepal in Islamabad, Pakistan on February 28, 2008. The crux of the meeting was to discuss the prospects of regional and bilateral trade and its promotion with reference to the border trade. They shared their views and tried to workout the proposition that four South Asian countries like Bangladesh, Bhutan, Nepal and Pakistan shares their borders with India thus their territorial proximity should be channelized for the augmentation of trade among SAARC member countries as the region must take advantage of its natural recourses and nurture the means available at its disposal to increase regional and bilateral trade for the overall prosperity of South Asia.

Call-on the Minister of State for Commerce, Government of India:

Mr. Tariq Sayeed, President, SAARC CCI & Mr.

Iftikhar Ali Malik, Vice President, SAARC CCI met Hon'ble Mr. Jairam Ramesh, Minister of State for Commerce, Government of India, in New Delhi, India on March 1, 2008. In the Meeting, President, SAARC CCI discussed the overall impact of SAFTA which can increase regional trade. Mr. Tariq Sayeed and Mr. Iftikhar Ali Malik have also elaborated the impediments related to the regional trade and its prospects and shared some valuable suggestions stressing to boost the border trade between the SAARC member nations.

The Indian Minister explained that India has by now allocated budget for this purpose while SAARC CCI leadership explained that Pakistani side is willing also to implement some effective plans to enhance intra- regional trade. In fact, working on some of the plans has already been started, as Pakistan has provided parking space at its borders to facilitate the trade activities with in the region.

Call-on the Joint Secretary, Ministry of External Affairs, Government of India:

Mr. Tariq Sayeed, President, SAARC CCI & Mr. Iftikhar Ali Malik, Vice President, SAARC CCI met T.C.A. Raghavan, Joint Secretary, Ministry of External Affairs of India in New Delhi, on March 1, 2008. The outcome of the meeting was that India has now come at par with all other SAARC member countries by abolishing the formality of filing immigration additional forms for the SAARC sticker holders on their arrival to India. President, Mr. Tariq Sayeed and Vice President, Mr. Iftikhar Ali Malik of SAARC CCI extended their heart felt thanks to the Indian authorities for lifting up the condition of filing of immigration additional forms for the SAARC sticker holders at the Indian airports. They have also voiced the issue of Rail Links between India and Pakistan in their special meetings with the Indian railway authorities and laid special emphasis on the exports of cement from Pakistan to India.

President SAARC CCI in Spotlight

Call-on the Secretary General SAARC:

Mr. Tariq Sayeed President, SAARC CCI, Mr. Iftikhar Ali Malik, Vice President, SAARC CCI, Mr. Shehzada Alam, Life member of SAARC CCI & Former President of KCCI along with Mr. Suraj Vaidya, Vice President, SAARC CCI and Mr. Kush Kumar Joshi, President FNCCI met with H.E. Mr. Sheel Kant Sharma newly appointed Secretary General of SAARC in Kathmandu, Nepal on April 2, 2008, and discussed different matters and forthcoming activities of SAARC Chamber in the region.

Visit to SAARC Chamber Craft Village:

President and Vice Presidents of SAARC CCI visited SAARC Chamber Craft Village on April 5, 2008 in Katmandu which is being run by the Federation of Women Entrepreneur Association of Nepal (FWEAN) and SAARC Chamber Women Entrepreneur Council (SCWEC), Nepal.



Call-on the Prime Minister of Pakistan:

Mr. Tariq Sayeed, President, SAARC CCI along with Mr. Iftikhar Ali Malik, Vice President, SAARC CCI and Mr. Tanvir Ahmad Sheikh, President FPCCI called-on the Hon'ble Syed Yousaf Raza Gillani, Prime Minister of Pakistan, at the PM Secretariat on April 12, 2008 in Islamabad, Pakistan, with the objective to highlight the constraints being faced by businessmen of the region while engaging in trade between the

SAARC Countries and pointed out that among these constraints Visa for businessmen remains a major bottleneck.

Pakistan Business Council (PBC) hosts a dinner in Dubai:

Pakistan Business Council, Dubai hosted a dinner meeting in the honor of Mr. Tariq Sayeed, President, SAARC CCI and his delegation who accompanied in 4th World Islamic Forum in Kuwait on May 5, 2008 in Dubai. The dinner meeting was attended by the Counselor Generals of Pakistan, Sri Lanka and Bangladesh. President, SAARC CCI also addressed the business community of UAE.

Rawalpindi Chamber of Commerce and Industry (RCCI) hosts a lunch:

Rawalpindi Chamber of Commerce and Industry (RCCI) hosted a lunch in honor of President and Vice President, SAARC CCI on May 7, 2008 in Rawalpindi, Pakistan. After the address of Mr. Tariq Sayeed, President, SAARC CCI, Mr. Iftikhar Ali Malik, Vice President, SAARC CCI and Abdul Rauf Choudhry, President RCCI also shared their views.



President SAARC CCI in Spotlight

Director General, FTIP meets President, SAARC CCI:

Dr. Safdar A. Sohail, Director General, Foreign Trade Institute of Pakistan (FTIP) called-on Mr. Tariq Sayeed, President, SAARC CCI at the permanent headquarters of SAARC CCI in Islamabad on May 9, 2008. Dr. Safdar made a presentation on objectives of FTIP and possible ways of professional cooperation between FTIP and SAARC CCI in building capacity and enhancing awareness on issues related to regional economic cooperation.

Call-on the Commerce Minister, Government of Pakistan:

Mr. Tariq Sayeed, President SAARC CCI along with Mr. Zubair Ahmed Malik, Executive Committee Member of SAARC CCI called-on the Hon'ble Mr. Shahid Khaqan Abbasi, Minister of Commerce, Government of Pakistan on May 9, 2008 in Islamabad, Pakistan, with the objective to highlight the role of SAARC business community particularly the engagements of the Private sector in Pakistan.



Delegation of PakTurk Businessmen Association meets President, SAARC CCI:

Mr. A. Cuneyt Zumrutpinar, President and Mr. Mehmet Necmettin Durmus, Managing Director of PakTurk Businessmen Association met Mr. Tariq

Sayeed, President, SAARC CCI in Islamabad, on May 13, 2008.



During the meeting President, SAARC CCI discussed the prospects of the promotion of business between SAARC Countries and Turkiye through increasing the Private Sector's engagements. The delegates from PakTurk Businessmen Association had delightedly informed and invited President, SAARC CCI to lead a delegation to the TURKIYE-ASIA/PACIFIC, Foreign Trade Bridge-II which took place in Istanbul, Turkiye, from June 17-18, 2008 at Istanbul WOW Convention Center.

EU delegation meets President, SAARC CCI:



Mr. Tariq Sayeed, President, SAARC CCI, Mr. Iftikhar Ali Malik, Vice President, SAARC CCI, officials of SAARC CCI along with Mr. Murtaza Hashwani, Chief Executive of Hashoo Group met with a high level delegation from the European Union which included Mr. Peter Berz, Counsellor, Deputy Head of Unit European Commission, Mr. Tomas Niklasson, Counsellor/Head of Political,

President SAARC CCI in Spotlight

Trade and Communication Section, Ms. Annette Grunberg, Pakistan Desk Director General Trade and Mr. Husnain Iftakhar, Economist/Trade Officer of the European Union, Delegation of the European Commission to Pakistan on May 15, 2008 in Islamabad. The purpose of the meeting was to get benefit of Europe experiences on areas such as Free trade and Economic Union and to indulge SAARC CCI's into a long term business partnership to improve EU-SAARC intra-regional trade and EU investments in South Asia.

MD Pak China Investment Company Limited meets President, SAARC CCI:

Mr. Chen Jainbo, Managing Director, Pak China Investment Company Limited (PCICL) met Mr. Tariq Sayeed, President, SAARC CCI on May 16, 2008 in Islamabad Pakistan. Mr. Iftikhar Ali Malik, Vice President, SAARC CCI, Mr. Mohammad Ijaz Abbasi, President Islamabad Chamber of Commerce and Industry (ICCI) and Mr. Munawar Mughal, Chairman Liaison Office Islamabad of Federation of Pakistan Chamber of Commerce and Industry (FPCCI), were also present at the occasion.

Mr. Jainbo explained SAARC CCI's officials that PCICL Company in Pakistan is being jointly sponsored by the Govt. of Pakistan through Ministry of Finance and the Govt. of China through China Development Bank. The company was established on July, 27, 2007 as a limited liability company and is duly registered as such with the Securities and Exchange Commission of Pakistan. It is regulated and licensed as DFI under the Prudential Regulations and Banking Companies Ordinance by the State Bank of Pakistan. PCICL Company's Managing Director gave further details that the company is mainly contributing in the Cement, Hotels, Power and Steel sectors currently and its initial authorized capital is Rs. 12.14 Billion equivalent to US\$ 200 million, making it the largest joint venture investment Company in the Country. Mr. Sayeed briefed the delegation about the history of SAARC CCI and its activities and explained them about the SAARC CCI's main focused areas involving Regional Economic Cooperation, SAFTA, Trade facilitation, Transport and Infrastructure development, Tourism, Women Entrepreneurs and SMEs.

ITC Team calls-on President, SAARC CCI:

A three member ITC team called on Mr. Tariq Sayeed, President, SAARC CCI on May 19, 2008 in his Karachi office wherein various areas of mutual interest were discussed. The ITC team was comprised of Ms. Lilia Naas, ITC representative, EU Senior Expert, Mr. Murray G. Smith and Dr. Arthur E Appleton, was facilitated by Pakistan Business Council's Director Research, Mr. Samir S. Amir. International Trade Centre (ITC).

Mr. Tariq Sayeed enlightened the officials of ITC that SAARC CCI was trying to create synergies in key economic areas like trade, industry and investment and will convince the respective Governments of the region to sign Investment treaties so that Joint ventures in the mutually interested areas could be established between the enterprises of the region. He offered the services of SAARC CCI as an outreach centre of ITC for South Asian region for implementing its regional agenda under 2nd phase of Trade Related Technical Assistance Program since SAARC CCI had access to business community of the entire region and could be more useful in achieving the objectives of their program. He also presented 10-item agenda for cooperation between SAARC CCI and ITC including cooperation in area of research, information dissemination, preparation of market intelligence based sectoral reports that could help the entrepreneurs to target specific markets within and outside the region.



President SAARC CCI in Spotlight

Call-on the Hon'ble Prime Minister of Pakistan:

Mr. Shashi Ruia, Chairman, ESSAR group and Mr. Jatindera Mehra, Director, ESSAR group along with Mr. Nazir Peracha, CEO, Shahpur Textiles have called-on the Hon'ble Syed Yousaf Raza Gillani, Prime Minister of Pakistan on June 3, 2008 in Islamabad. This call-on was arranged by SAARC CCI. Mr. Tariq Sayeed, President, SAARC CCI and Mr. Iftikhar Ali Malik, Vice President, SAARC CCI were also a part of the call-on delegation. During the call-on they discussed the steel manufacturing business in the region and some option to overcome the power shortage in the country. The ESSAR group who is amongst the top ten business groups of India today and is actively involved in the business of Power Generation, Telecommunication, Steel, Shipping and Constructions, they have also made investments in countries like Canada, Vietnam, Indonesia particularly in Steel and Power Sectors. The ESSAR group shared some ideas to increase the production of steel mills in Pakistan through foreign direct investment and setup power plant based on THAR/ imported coal of 100 MW. The Hon'ble Prime Minister of Pakistan also appreciated SAARC CCI efforts to encourage the mutual cooperation & foreign investment among member countries through confidence building measures.



Visit to FCCISL:

Mr. Tariq Sayeed, President, SAARC CCI visited the Federation of Chamber of Commerce & Industry of Sri Lanka on July 2, 2008 in Colombo, where he was briefed about the working of the

federation and awarded with a shield by Mr. Nawaz Rajabdeen, Vice President, SAARC CCI and President the Federation of Chambers of Commerce & Industry (FCCISL). Mr. Macky Hashim, Past President, SAARC CCI was also present at the occasion.

Visit to Sri Lanka Exhibition and Convention Centre:

Mr. Tariq Sayeed, President, SAARC CCI visited the Sri Lanka Exhibition and Convention Centre (SECC) on July 2, 2008, where he visited various stalls at the exhibition and said that among the many bold initiatives taken towards achieving the long term objectives of SAARC is the organizing of the Trade Fair and Exhibition which has immensely contributed to economic cooperation among business, industry and entrepreneurial sectors of the member countries.



Call-on the Pakistan High Commissioner in Sri Lanka:

Mr. Tariq Sayeed, President, SAARC CCI called on H.E. Mr. Shahzad A, Chaudary, Pakistan High Commissioner in Sri Lanka, on July 3, 2008. They exchanged their views to overcome problems, impeding the growth of bilateral trade between Pakistan and Sri Lanka. Mr. Sayeed appreciated the views and ideas of Pakistani High Commissioner and work done by Pakistan High Commission in Sri Lanka under the guidance of H.E. Mr. Shahzad A, Chaudary.

President SAARC CCI in Spotlight

Call-on the Minister of Textiles and Industries Development, Government of Sri Lanka:



Mr. Tariq Sayeed, President, SAARC CCI called on Hon'ble Mr. Kanera Valgam, Minister of Textiles and Industries Development, Government of Sri Lanka on July 4, 2008 in Colombo, Sri Lanka, to discuss issues of Regional Economic Cooperation under SAFTA and FTA between SAARC countries. During his visit to Sri Lanka, Mr. Sayeed also met with Mr. Nawaz Rajabdeen, President Federation of Chambers of Commerce & Industry (FCCISL) and Vice President, SAARC CCI. Mr. Rajabdeen appreciated the efforts of Mr. Tariq Sayeed for institutional development of SAARC CCI.

the role of Private Sector initiatives and assured all possible cooperation towards promotion of Alternative Energy i.e. Wind and Solar Energy in Pakistan. Mr. Tariq Sayeed also discussed that SAARC CCI is planning Conferences and seminars on Energy in South Asian perspective, which will not only provide an ample opportunity to commercial activities in the region but also gauge potential, evaluate shortfall of energy, identify constraints and problems and provide remedial measures particularly with respect to Private Sector engaged in generation of energy.



Call-on the Minister for Water & Power, Government of Pakistan:

Mr. Tariq Sayeed, President, SAARC CCI called-on the Hon'ble Mr. Raja Pervaiz Ashraf, Minister for Water & Power, Government of Pakistan and Mr. Salman Farooqi, Deputy Chairman, Planning Commission, Government of Pakistan separately in Islamabad on August 8, 2008. During the meetings, President, SAARC CCI discussed prospects of promoting Alternative Energy in Pakistan and the South Asian region and said that Alternative Energy is the only way to overcome the shortage of energy in the region.



Call-on the CEO, Alternative Energy Development Board (AEDB):

Mr. Tariq Sayeed, President SAARC Chamber of Commerce & Industry (SAARC CCI) met with Mr. Arif Allowdin, the newly appointed CEO, Alternative Energy Development Board (AEDB) in Islamabad, on July 16, 2008. Mr. Sayeed said, due to acute shortage of energy and its limited production through conventional resource, there is an urgent need to tap the potential of Alternative Energy in Pakistan particularly and South Asian region in general. During the meeting, President SAARC discussed prospects of promoting Alternative Energy in Pakistan and the South Asian region and said that Alternative Energy was the only answer to overcome the shortage of energy, which was ever increasing in wake of growing industrial and commercial activities.

The CEO, AEDB was convinced and appreciated

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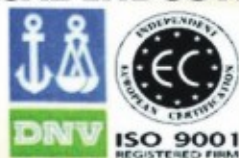
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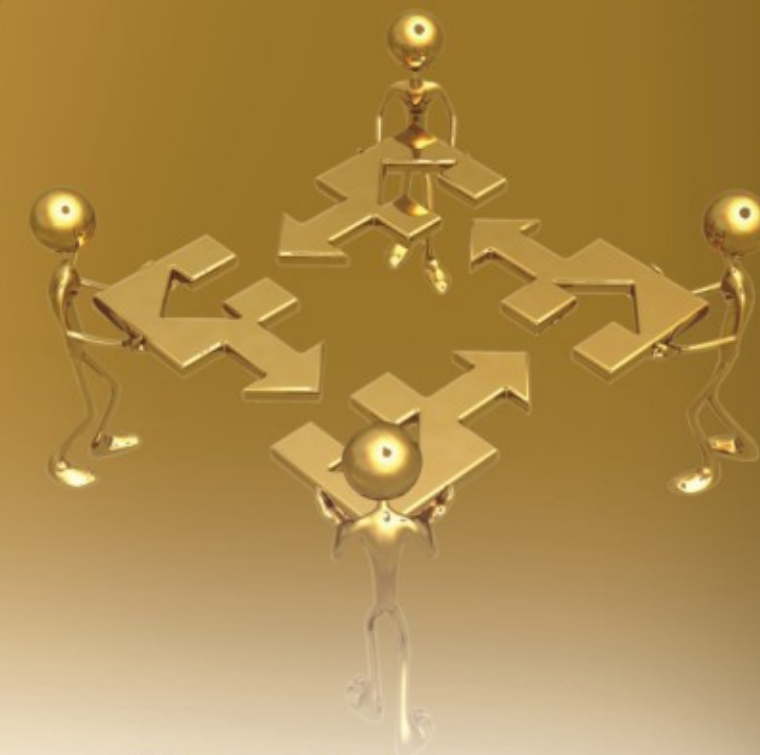
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R to L: Mr. Mir Nasir Hossain, Senior Vice President SAARC CCI, Mr. Tariq Sayeed, President, SAARC CCI and Mr. Waqar Ahmed Sheikh, Former Director, SAARC CCI at 41 & 42 EC Meetings, New Delhi, India, January 13, 2008.



Mr. Tariq Sayeed, President, SAARC CCI, Mr. Iftikhar Ali Malik, Vice President, SAARC CCI and Mr. Zubair Ahmed Malik, EC member, SAAARC CCI among ambassadors and members of the diplomatic Corps at Networking Reception, Islamabad, Pakistan, February 6, 2008.



Mr. Tariq Sayeed, President, SAARC CCI and Mr. Mir Nasir Hossain, Senior Vice President SAARC CCI at 43rd Executive Committee Meeting of SAARC CCI, Lahore, Pakistan, April 15, 2008.



L to R: Mr. Iftikhar Ali Malik, Vice President, SAARC CCI, Mr. Tanveer Ahmad Sheikh, Former President, FPCCI, Lt. Gen. (r) Khalid Maqbool, Governor Punjab, Hon. Syed Yousaf Raza Gillani, Prime Minister of Islamic Republic of Pakistan and Mr. Tariq Sayeed, President, SAARC CCI at the seminar on Economic Freedom: A Stimulator in Achieving Business Excellence in South Asia, Lahore, Pakistan, April 16, 2008.



Mr. Tariq Sayeed, President, SAARC CCI, Mr. Iftikhar Ali Malik, Vice President, SAARC CCI, Ms. V.L. Indra Dutt, Chairperson SCWEC along with other speakers at the seminar on Global Opportunities A Boon for Women Entrepreneurs, New Delhi, India, February 13, 2008.



L to R: Mr. Munawar Mughal, Chairman Liaison office FPCCI, Mr. Iftikhar Ali Malik, Vice President, SAARC CCI, Mr. Tariq Sayeed, President, SAARC CCI and Mr. Ijaz Abbasi, President Islamabad Chamber of Commerce and Industry at the reception hosted by FPCCI, Islamabad, Pakistan, January 22, 2008.



L to R: Mr. Tariq Sayeed, President, SAARC CCI, Mr. Bob Hawke, Former Prime Minister of Australia and Mr. Iftikhar Ali Malik, Vice President, SAARC CCI at the 4th World Islamic Forum, Kuwait, April 29-May 01, 2008.



Mr. Tariq Sayeed, President, SAARC CCI addressing at the seminar on Quantification of Benefits from Regional Cooperation in South Asia, Islamabad, Pakistan, May 06, 2008.



Mr. Asim Yaseen Director, YEO presenting shield to Mr. Tariq Sayeed, President, SAARC CCI and Mr. Iftikhar Ali Malik, Vice President, SAARC CCI after their address to Young Entrepreneur Community, Faisalabad, Pakistan, March 23, 3008.



Mr. Tariq Sayeed, President, SAARC CCI and Mr. Iftikhar Ali Malik, Vice President, SAARC CCI, and Mr. Suraj Vaidya, Vice President SAARC CCI at Federation of Nepalese Chamber of Commerce & Industry, Katmandu, Nepal, April 02, 2008.



L to R: Hon. Mr. Shahid Khaqan Abbasi, Minister for Commerce, Pakistan, Mr. Tariq Sayeed, President SAARC CCI and Mr. Zubair Ahmad Malik, EC Member SAARC CCI met in Islamabad, Pakistan, May 9, 2008.



L to R: Hon. Muhammad Ishaq Dar, Minister of Finance, Revenue, Economic Affairs & Statistics, Pakistan, Mr. M. Abdullah Yousuf, Secretary General Revenue Division/Chairman FBR, Pakistan and Mr. Tariq Sayeed, President, SAARC CCI at Pre-Budget Seminar, Islamabad, Pakistan, May 12, 2008.



President SAARC CCI and Vice President SAARC CCI with the delegates from the European Union, Delegation of the European Commission to Pakistan, Islamabad, Pakistan, May 15, 2008.



Mr. Tariq Sayeed, President SAARC CCI with Mr. Luo Zhengfu, Executive Vice Governor of People's Government of Yunnan Province, Kunming, China, 4th June, 2008.



Mr. Tariq Sayeed, President, SAARC CCI with Mr. Prema Cooray, Secretary General/CEO and Mr. Mahen Dayananada, Chairman, Ceylon Chamber of Commerce, Colombo, Sri Lanka, July 3, 2008.



L to R: Mr. Chandrajit Banerjee, Director General, Confederation of India Industry and Mr. Tariq Sayeed, President, SAARC CCI at Sri Lanka Economic Summit - 2008, Colombo, Sri Lanka, July 3, 2008.



Mr. Tariq Sayeed, President SAARC CCI and Mr. Suraj Vaidya, Vice President SAARC CCI along with other delegates at 3rd China South Asia Business Forum, Kunming, China, June 5, 2008.



President SAARC CCI at the Lunch Hosted by China Council for the Promotion of International Trade, Kunming, China, June 5, 2008.



L to R: Mr. Indrajith Fernando, President, Confederation of SAARC Apex Bodies in Sri Lanka, Mr. Nawaz Rajabdeen, Vice President SAARC CCI, Hon. Mr. Kanera Valgam, Minister of Textiles and Industry, Sri Lanka, Mr. Tariq Sayeed, President, SAARC CCI and Mr. Kosala Wickramanayake, President, FCCISL, Colombo, Sri Lanka, July 4, 2008.



L to R: Mr. D.Eassuwaren, President, National Chamber of Commerce of Sri Lanka and Mr. Tariq Sayeed, President, SAARC CCI, Colombo, July 4, 2008.



President SAARC CCI at the 16th session of China Import & Export Fair, Kunming, China, 6th June, 2008.



Mr. Tariq Sayeed, President, SAARC CCI presenting Best Private-Public Partnership Project Award to Sri Lanka Jem & Jewelry Association at Chambers Competition Award, Colombo, Sri Lanka, June 27, 2008.



Hon. Mr. Purnab Mukherjee, Foreign Minister, India, Mr. Tariq Sayeed, President SAARC CCI and Mr. Rajeev Chandrasekhar, MP and President FICCI at Conference on Deepening Economic Cooperation for Regional Integration, New Delhi, India, July 24, 2008.



L to R: Mr. Zahid Maqbool, Life Member SAARC CCI, Dr. Rene Klaff, Regional Director FNF, Mr. Peter Andreas, Country representative, FNF and Mr. Munawar Mughal, Chairman Liaison office FPCCI at a dinner, Islamabad, Pakistan, August 3, 2008.



Mr. Tariq sayeed, President SAARC CCI and Mr. Zubair Ahmed Malik, EC member, SAAARC CCI call on the Hon. Mr. Raja Pervaiz Ashraf, Minister for Water and Power, Pakistan, Islamabad, Pakistan, August 8, 2008.



Dr. Rene Klaff, Regional Director FNF at SAARC CCI Strategy Planning Workshop, Colombo, Sri Lanka, August 25, 2008.



L to R: Mr. Kamran Tanvirur Rahman, Director, FBCCI, Syed Manzur Elahi, Former Advisor to the caretaker Government of Bangladesh, Mr. Aftab-Ul-Islam, FCA, Director, FBCCI (f) Commodore R.U. Ahmed, NDC, AFWC, PSC, BN, Chairman, Chittagong Port Authority, Bangladesh at the working Session of Seminar Trade Facilitation in South Asia, Dhaka, Bangladesh, October 19, 2008.



L to R: Mr. Tariq Sayeed, President, SAARC CCI, Hon Hon. Prof. G.L. Peiris, Minister of International Trade and Export Development, Sri Lanka, Hon. Dr. Hossain Zillur Rahman, Advisor Ministry of Commerce & Education, Bangladesh, Hon. Mr. Jairam Ramesh, State Minister of Commerce, India, Professor Rehman Sobhan, Chairman CPD, Mr. Dasho Sonam Tshering, Secretary Economic Affairs, Bhutan at Global Economic Shift to Asia- Regional Synergies of International Business Conference, Dhaka, Bangladesh, October 31, 2008.



L to R: Mr. Nawaz Rajabdeen, Vice President SAARC CCI, Sri Lanka, Mr. Bap Kinga, Vice President SAARC CCI, Bhutan, Mr. Tariq Sayeed, President SAARC CCI, Mr. Mir Nasir Hossain, Senior Vice President SAARC CCI, Bangladesh, Mr. S.N. Agrawal Vice president SAARC CCI, India and Mr. Iftikhar Ali Malik, Vice President, SAARC CCI, Pakistan at SAARC CCI Vice President Meeting, Colombo, Sri Lanka, August 26, 2008.



Participants of 44th EC Meeting, Colombo, Sri Lanka, August 27, 2008.



L to R: Hon. Mr. Jairam Ramesh, State Minister of Commerce, India, Mr. S.M. Muneer, President Elect, IPCCI, Mr. Harsh Pati Singhania, Senior Vice President, FICCI, Mr. Tariq Sayeed, President, SAARC CCI, Mr Vikramjit Singh Sahney, Executive Committee Member, SAARC CCI at Conference on India-Pakistan Economic Relations, New Delhi, India, November 12, 2008.



Mr. Tariq Sayeed, President, SAARC CCI and Mr. Tanveer Ahmad Sheikh, Former President, FPCCI in a meeting with Mr. Shahid Malik, Pakistani High Commissioner in India, November 11, 2008, New Delhi.



L to R: Mr. Tariq Sayeed, President SAARC CCI, Hon. Prof. G. L. Peiris, Minister of International Trade and Export Development, Sri Lanka and Mr. Nawaz Rajabdeen, Vice President SAARC CCI at inaugural ceremony of 8th SAARC Trade Fair, Colombo, Sri Lanka, August 28, 2008.



L to R: Mr. Iqbal Tabish, Secretary General, SAARC CCI, Hon. Prof. G.L. Peiris, Minister of International Trade and Export Development, Sri Lanka, Mr. Kosala Wickramanayake, President, FCCISL, Mr. Indrajith Fernando, President, Confederation of SAARC Apex Bodies in Sri Lanka and Mr. Subodh Kumar, Executive Programs, FNF India at the seminar on Economic Freedom in South Asia: A Springboard for Socio-Economic Development, Colombo, Sri Lanka, October 16, 2008.



L to R: Sheikh Jameel Ahmed Magoon, Life Member SAARC CCI, Dr. Amit Mitra, Secretary General, FICCI, Mr. Tariq Sayeed, President, SAARC CCI and Mr. Sultan Ahmed Chawla, EC Member, SAARC CCI, New Delhi, India, November 12, 2008.



L to R: Mirza Ikhtiar Baig, Mr. Tariq Sayeed, President SAARC CCI, Hon. Mr. Raja Pervaiz Ashraf, Minister for Water and Power, Pakistan and Mr. Zubair Tufail, Former Vice President FPCCI at the seminar on "Energy Trade in South Asia, Karachi, Pakistan, November 17, 2008.



L to R: Ms. Huma Fakkhar, Managing Partner, MAP-Services, Dr. Hafeez Pasha, Dean Faculty of Economics, Beachonhouse National University (Lahore) and Former Finance Minister, Pakistan, Mr. Iftikhar Ali Malik, Vice President, SAARC CCI and Mr. Sultan Ahmed Chawla, EC Member, SAARC CCI at SAARC CCI Lecture Series, Lahore, Pakistan, November 22, 2008.



Mr. Iftikhar Ali Malik, Vice President, SAARC CCI at SAARC CCI Lecture Series, Lahore, Pakistan, November 22, 2008.



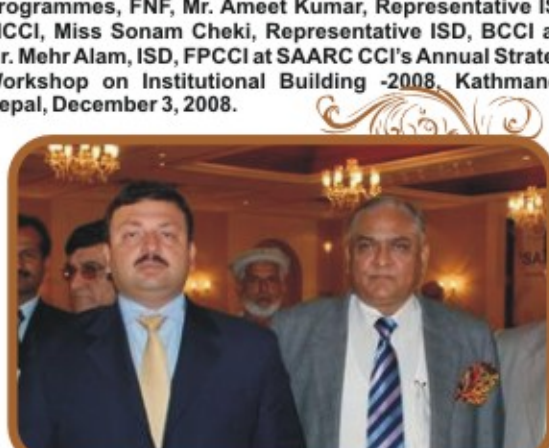
Mr. Iqbal Tabish, Secretary General, SAARC CCI at the Roundtable on SAFTA: Efforts for Trade Liberalization in South Asia & Way Forward, Colombo, Sri Lanka, November 28, 2008.



L to R: Mr. Ratish Basnyat, ISD, FNCCI, Mr. Zulfiqar Ali Butt, Programme Associate, SAARC CCI, Mr. Shah Maksud ul Haq, Representative ISD, FBCCI, Mr. Iqba Tabish, Secretary General, SAARC CCI, Mr. Subodh Kumar, Executives Programmes, FNF, Mr. Ameet Kumar, Representative ISD, FICCI, Miss Sonam Cheki, Representative ISD, BCCI and Mr. Mehr Alam, ISD, FPCCI at SAARC CCI's Annual Strategy Workshop on Institutional Building -2008, Kathmandu, Nepal, December 3, 2008.



L to R: Mr. Aizaz Ahmad Chaudhry, Additional Secretary, Ministry of Foreign Affairs, Pakistan, H.E. Mr. Bala Bahadur Kunwar, Ambassador, Royal Embassy of Nepal, Nawabzada Malik Amad Khan, Minister of State, Ministry of Foreign Affairs, Pakistan, Mr. Tariq Sayeed, President, SAARC CCI and Mr. Manpreet Vohra, Deputy High Commissioner, Indian High Commission at the seminar on Socio-Economic prospects in the SAARC region - The Way Forward, Islamabad, Pakistan, December 22, 2008.



L to R: Nawabzada Malik Amad Khan, Minister of State, Ministry of Foreign Affairs, Pakistan and Mr. Tariq Sayeed, President, SAARC CCI at the seminar on Socio-Economic prospects in the SAARC region - The Way Forward, Islamabad, Pakistan, December 22, 2008.

Focused Areas of 2008



Economic *Freedom* in South Asia

Economic Freedom in South Asia

Introduction:

"Basic institutions that protect the liberty of individuals to pursue their own economic interests result in greater prosperity for the larger society."
Adam Smith.

The foundations of economic freedom are personal choice, voluntary exchange, and open markets. While the highest form of economic freedom provides an absolute right of property ownership, fully realized freedoms of movement for labor, capital, and goods, and an absolute absence of coercion or constraint of economic liberty beyond the extent necessary for citizens to protect and maintain liberty itself. In other words, individuals are free to work, produce, consume, and invest in any way they please, and that freedom is both protected by the state and unconstrained by the state.

Economic freedom is the result of the government's willingness to reduce control, liberalize trade and provide a sound regulatory and legal environment that is conducive to the protection of private property rights, business investment and commercial growth.

Economic freedom is one of the key building blocks of the most prosperous nations around the world. Freedom of exchange and market coordination provides the fuel for economic progress, without exchange and entrepreneurial activity coordinated through markets, modern living standards would be impossible. Potentially advantageous exchanges do not always occur. Their realization is dependent on the presence of sound money, rule of law, and security of property rights, among other factors. Countries with high levels of economic freedom are those in which people enjoy high standards of living and personal freedoms. Countries at the bottom of the index face the opposite situation; their citizens are often mired in poverty, are governed by totalitarian regimes and have few if any, individual rights or freedoms.

Economic Freedom of the World:

A global effort has been devoted to reducing world poverty. Some claim poverty can be best combated by foreign aid. Others point to the importance of domestic policies, such as those that support or weaken economic freedom. One effective way to gauge a country's economic freedom is by looking at its Economic Freedom of the World (EFW) Index score. Economic Freedom of the World seeks to measure the consistency of the institutions and policies of various countries with voluntary exchange and the other dimensions of economic freedom. The EFW Index score is calculated according to the size of the government (expenditures, taxes and enterprises), legal structures and security in property rights, access to sound money, freedom to trade internationally and regulation of credit, labor and business. Thirty-eight components and sub-components are used to construct a summary index and to measure the degree of economic freedom in the above mentioned five areas: The annual report is published in conjunction with the Economic Freedom Network, a group of independent research and educational institutes in over 70 nations. A score of up to 10 is given to each area. As such the index also tells which areas the government needs to liberalize and deregulate to boost economic growth and efficiency. The higher the EFW score, the greater the degree of economic freedom and prosperity of that country will be.

This year's Economic Freedom of the World: Annual Report notes that economic freedom remains on the rise. The average economic freedom score rose from 5.46 (out of 10) in 1980 to 6.65 in the most recent year for which data are available. Of the 102 nations with chain-linked scores going back to 1980, 89 saw an improved score and 13 saw a decrease. In this year's index, Hong Kong retains the highest rating for economic freedom, 8.94 out of 10, followed by Singapore, New Zealand, Switzerland, United Kingdom, Chile, Canada, United States, Australia, and Ireland.

SAARC CCI on its Mark:

SAARC Chamber of Commerce & Industry (SCCI) in collaboration with the Federation of Chambers

Economic Freedom in South Asia

of Commerce & Industry of Sri Lanka (FCCISL) has organized a Seminar on "Economic Freedom in South Asia: A springboard for socio-economic development" on 16th October, 2008 in Cinnamon Hotel, Colombo-Sri Lanka.

Objectives:

The seminar was aimed at encouraging individual and institutional liberty in the economic sphere, leading to both Human Development and Economic growth through enhanced economic cooperation amongst the member states of the SAARC. Economic Freedom and development are directly linked and help reduce poverty under a free economic order, which is much needed for the region of South Asia- one of the regions at lower ebb of the economic freedom index.

Participants: The seminar brought together academic experts, business professionals, members of SAARC CCI from all SAARC countries to share their views and participate in the open discussions with the other participants.

Resource Persons:

The distinguished speakers at the occasion representing SAARC Countries including:

- Mr. Subodh Kumar, Executive Programs, Fridrich Naumann Foundation, New Delhi, India.
- Mr. Sherab Tenzin, Joint Director, Department of Trade, Bhutan.
- Dr. Sirimal Abeyrathne – Senior Lecturer-Economic Affairs, University of Colombo, Sri Lanka.
- Ms. Huma Fakhar, Managing Partner-MAP Services Group, Lahore, Pakistan.
- Prof. Rohan Samarajiva – Executive Director, LIRNEASIA, Sri Lanka.
- Dr. Posh Raj Pandey –Member, National Planning Commission, Nepal.

Brief Report of the Seminar:

The Hon'ble Prof. G. L. Peiris, Minister of International Trade and Export Development of the Government of Sri Lanka, as a proponent of Economic Freedom said that the degree of Market Freedom not only correlated positively with economic growth, per capita income and human

development index but also had linkage with the absolute and relative levels of income of the poorest groups in a country. He was of the opinion that Economic Freedom will enable the South Asian region to yield maximum benefits out of SAFTA.

Mr. Kosala Wickramanyake, President, Federation of Chambers of Commerce and Industry of Sri Lanka while extending welcome address at the inaugural session applauded the Government of Sri Lanka for its efforts for economic liberalization and said that Sri Lanka's economy was the world's 103rd freest economy. Sri Lanka was ranked 14th out of 30 countries in the Asia-Pacific region. Sri Lanka had poor score in investment freedom, financial freedom, monetary freedom, and freedom from corruption. He said that the government generally welcomes foreign capital, but formal restrictions and the security situation were deterrents. He further highlighted that although the financial system was small but was growing consistently and would benefit from greater transparency. The judicial system in Sri Lanka was not free of political interference and was subject to corruption as well as extensive delays.

Mr. Iqbal Tabish, Secretary General SAARC CCI while addressing the inaugural session said that Economic Freedom has been inevitable in the era of globalization and under the dogma of trade liberalization and WTO. In order to obtain the required level of economic freedom, the role of state was the most effective. He quoted that the Fraser Institute's director of trade and globalization studies clearly stated that Economic Freedom rather than foreign aid had a powerful positive impact and was a better approach and a key component of the success created by economic freedom. He termed it as an ability to experiment, find economically successful areas of production, and prune those that do not succeed so that resources may be transferred to such destinations where they are most productive. Deshabandu. Macky Hashim, Past President of SAARC Chamber of Commerce & Industry (SCCI) and Federation of Chambers of Commerce and Industry of Sri Lanka (FCCISL) who chaired the working session-I of the Seminar emphasized for promoting economic freedom in South Asia. The impact of economic freedom on whether states fight or have a military dispute was highly

Economic Freedom in South Asia

significant while democracy was not a statistically significant predictor of conflict.

Mr. Subodh Kumar, Executive Programs, Fridrich Naumann Foundation, New Delhi, India made a detailed Presentation highlighting the "Economic Freedom: Role of Civil Society Organizations, Indian Perspective" and said that Economic Freedom and growth were correlated as it is statistically proved that economically free countries had higher growth rates, income levels, GNP and life expectancy while the infant mortality and unemployment at low in comparison to the less economically free countries. He said that India's ranking in the index, which scaled prosperity of the whole society, was down by 8 notches to 77th position among 141 countries in 2006, with uneven pattern of economic reforms widening gap between the rich and the poor. Out of 20 in India, Tamil Nadu was ranked as the top most state which had high scale in terms of economic freedom rating while states like Bihar, Orissa and Arunachal Pradesh were the least ranked on the index. However, overall India had better position amongst the SAARC countries and was ahead of China (93), Brazil (96) and Russia (101).

Mr. Sherab Tenzin, Joint Director, Department of Trade, Bhutan, while exchanging his views on "Free Market Economy: Prospects and Challenges for Bhutan" stated that Unfortunately Bhutan did not fall in the economic freedom index, but Bhutan was working sincerely to pave its road to Free Market as The Government was trying to get out of the business of the business and economic activity as much possible. Bhutan despite being the weakest economy in the SAARC grouping had taken the liberal approach and would like to have and give access for Free Market Economy. Since last 15 years Bhutan was trying to achieve the free market economy by improving liberty to fix interest rates by the central banks as per its supply and demand, duties and taxes were redundant, consumer choice products were on better prices and also foreign exchange had been allowed since past 5 years which were banned previously and government was still working hard to allow 100% ownership in the IT sector. He said that the Private Sector had been strengthening by limiting the government role in the manufacturing side.

Mr. Sherab stated that despite being as small country with difficult terrain and small population Bhutan guaranteed minimum intervention by its government in the business activity except the tourism sector. He also identified some Social obligations like need to protect environment and culture as the major challenges to achieve Free.

Dr. Sirimal Abeyrathne, Senior Lecturer-Economic Affairs, University of Colombo, Sri Lanka while elaborating "Economic Freedom and FDI in Sri Lanka: A paradigm for SAARC nations" said that Sri Lanka was the first country in South Asia who opened up its economy. Sri Lanka adopted Policy reforms 30 years ago. In 1980's Sri Lanka was the best investment place of South Asia but in last decades India replaced it. Currently, foreign investment is welcomed in Sri Lanka. The government allows 100 percent foreign ownership in certain sectors and imposes ownership limits in others. Investment is screened and may need approval in some cases. Major investments, such as infrastructure projects, require approval from the full cabinet. Foreign investment is disallowed in a number of services sectors. Security concerns, inconsistent and non-transparent regulation, burdensome labor laws, inadequate infrastructure, and cumbersome bureaucracy are other impediments to investment. Outward direct investment must be approved by the Government. Residents and non-residents are to allow hold foreign exchange accounts subject to requirements, including government approval in some cases. There are strict reporting requirements and limits on payments and transfers. Capital transactions are subject to many restrictions and government approval in some cases. Private land ownership is limited to 50 acres per person. Foreign investors can purchase land, but there is a 100 percent tax on such transfers.

Mr. Indrajith Fernando, President, Confederation of SAARC Apex Bodies in Sri Lanka and the chair of the seminar working session-II appreciated that "we are going through an amazing scenario which we never witnessed in the near history, economic freedom and its fundamentals of what manifest this freedom is bringing in to this part of the world. He said that the important terms like economic freedom, financial freedom, efficient market and capacity were finding certain jurisdictions and now

we are facing collapse as a land slide which we could not even believe what we were working on. This is the time for South Asia to respond to the situation as to Economic Freedom whether it's helping the people of the region.

Ms. Huma Fakhar, from Pakistan who shared views on the topic of "Economic Freedom: Prospects and Challenges for South Asia/Pakistan context". She was of the view that India and Pakistan should enhance trade and their economic ties will benefit to overall growth, which will increase 13%, Indo/Pak trade will grow from 2 billion up to 20 billion. India and Pakistan both compliment each other and it will also impact Pakistan-Afghanistan trade positively.

She urged to focus on Niche Productions. The sectors such as Dairy, Textiles and agriculture had the potential to make niche of Pakistani products. She also mentioned the need for clean production and to help the environment which was mitigating high costs for all living beings. Prof. Rohan Samarajiva, Executive Director, LIRNE ASIA made presentation on "Economic Freedom and Consumers Rights: A Lesson from Sri Lanka Experience". In the presentation he examined the broadening of consumer rights in the Sri Lanka industry as a result of the increased economic freedom in the telecom industry, which brought liberalization in the country and encouraged other sectors to follow. The principle of "competition wherever possible; regulation where necessary" was the anchor of his part of the presentation. He was of the view that around ten million Sri Lankans were served by mobile telephony, while only less than three million by fixed telephone operators. Dr. Posh Raj Pandey, President, South Asia Watch on Trade Economics and environment (SAWTEE), Nepal, presented paper on the "Free Market Economy: Prospects and Challenges for Nepal". He said that Nepal's economy was the world's 128th freest economy. Nepal was ranked 19th out of 30 countries in the Asia-Pacific region. The government was working to eliminate price controls. As a developing nation with widespread civil unrest, Nepal had been facing significant challenges. Investment freedom, financial freedom, trade freedom, property rights, and freedom from corruption were found weak in the country. He identified many restrictions on foreign

investment that put much of Nepal's economy off-limits to foreign capital. These regulations were enforced by an inefficient and corrupt bureaucracy. Property rights were not secured by the judiciary, which was also subject to substantial corruption and political influence. Dr. Pandey emphasized on the role of state as a trustee of the poor and also pointed out several other reasons for market failure such as information asymmetry and distribution problem. He was of the opinion that a well informed bureaucracy, civil society and private sector were the prospects for a free economy. He discussed that the major challenges faced by free market economy were policy failures and poor distribution. Eventually, the role of state was essential as far as the implementation of free market was concerned.

The seminar was concluded with the remarks and vote of thanks extended by Mr. Tissa Jayaweera, Vice President FCCISL, and Chairman - International Chamber of Commerce

Recommendations:

Some key recommendations of the Seminar on "Economic Freedom in South Asia: A springboard for socio-economic development" on 16th October, 2008 in Colombo-Sri Lanka are as follows:

- Political commitment by the ruling governments as without state's willingness and intervention, a complete economic freedom cannot be achieved.
- Reduction in taxation, excessive interference in the economy through regulation and inflexible labour laws which impede economic freedom.
- Region should work towards the bringing the business entities together and forming policies to achieve the inevitable economic freedom for the region under SAFTA.
- Under SAFTA it must be elaborated that how Economic Freedom benefits the regionalism and regional cooperation at large.
- With subject to the political, economic and security stability within the region economic freedom is a brainchild for country's as well as the regions prosperity thus it is required to reinvigorate state to enforce rule of law.

- Promotion of inter and intra regional trade by encouraging trade facilitation under SAFTA
- Encourage states to must allow market forces to determine wages and establish conditions by Labor market reforms
- Crisis proofing of the regions economies especially after the current Economic Meltdown.
- Greater emphasis must be given on social justice and equal opportunity for all.
- institutions of effective economic governance must be developed in the SAARC region

Trade *Facilitation* in South Asia



Trade Facilitation in South Asia

Introduction:

One-fifth of the world populations live in South Asian countries, but they hold an insignificant position in the global economy accounting for only 1.9% of global GNP. Poverty is pervasive, bulk of the people are below poverty line in this region. Our region's share in global trade is only 0.96% of export and 1.3% of import. Unfortunately intra-regional trade in South Asia is yet below 5% of the total trade and 1% of total investment, whereas regional trade in case of NAFTA is 49%, EU 78% and ASEAN 53%. Given the population size and GDP growth in the South Asian countries, there are immense potentialities for growth of regional trade. However SAARC region could not expand trade and investment up to the mark as compared to other regions.

SAFTA came into force with effect from 1st July 2006 with the objectives to promote trade and investment in SAARC member states. However, both SAPTA and SAFTA could not bring significant result to enhance trade and investment due to various problems. Lacking of trade facilitation is one of the major problems.

Trade facilitation is a systematic rationalization of procedure and documentation for international trade. The aim of trade facilitation is to reduce the information requirement, to provide standard documentation and to provide harmonized procedures. Trade facilitation measures that could produce tangible benefits include: Simplification of customs clearance procedures; Transit facilities for Intra-SAARC trade; Removal of barriers to intra-SAARC investment; and Simplification of procedures for business visas, etc. The lessons of other regional trade agreements make it clear that the benefits from the agreements itself will not be realized unless trade facilitation measures are vigorously implemented.

Considering the significance of Trade Facilitation, SCCI in co-operation with FBCCI has organized the seminar to exchange views with the representatives of private sector, government organization, researchers, academicians, etc. to prepare a set of recommendations which would be placed in the SCCI meeting.

Objectives of the Seminar:

- To elaborately discuss various aspects of Trade Facilitation
- To identify the constraints of Trade Facilitation
- To prepare a common strategy and set of recommendations for implementing Trade Facilitation in South Asia.

Participants:

About 160 participants attended the inaugural session and 106 participants attended the business sessions of the Seminar. The participants included senior government officials of Bangladesh, representatives of private sector, leading businessmen, industrialists, economists, researchers, academicians, etc. The participants also included economic minister, commercial counselor of the foreign mission of SAARC countries.

Methodology:

The day-long Seminar was divided into three sessions: Inaugural Session and two Working Sessions. The inaugural session was held in a ceremonial and formal manner with Hon'ble Advisor for Commerce and Education as the Chief Guest. Each Business session was chaired by a Chairperson. The first working session and second working session were based on formal presentations by the resource persons from Bangladesh, India, Pakistan, Nepal and Sri Lanka; Open discussion and comments by the designated discussants. This was followed by summing up of the session by the chairperson.

Resource Persons & Topics of the Presentations:

- Syed Saifuddin Hossain, Sr. Research Associate, Center for Policy Dialogue (CPD) presented paper on 'Trade Facilitation Bangladesh perspective'.
- Ms. Huma Fakhar, Partner, Fakhar Law Associate, Pakistan presented paper on 'Trade Facilitation Pakistan perspective'.
- Dr. Sachin Chaturbedi, Fellow, Research and Information System for Developing Countries presented paper on 'Trade Facilitation India perspective'.

Trade Facilitation in South Asia

- Mr. Kumar Mallimaratchi, Managing Director, Associate Hotels Lanka Ltd. Sri Lanka presented paper on 'Trade Facilitation Sri Lanka perspective'.
- Dr. Posh Raj Pandey, President, South Asia Watch on Trade Economics and Environment (SAWTEE), Nepal presented paper on 'Trade Facilitation Nepal perspective'.

Brief Report of the Seminar:

A Seminar on Trade Facilitation in South Asia was held on October 19, 2008 at Pan Pacific Sonargaon Hotel, Dhaka. The Seminar was jointly organized by SAARC Chamber of Commerce & Industry (SCCI) and Federation of Bangladesh Chambers of Commerce and Industry (FBCCI).

The Inaugural Session, initiated with the recitation from the Holy Quran, was graced by the presence of Dr. Hossain Zillur Rahman, Hon'ble Advisor, Ministry of Commerce and Education, Govt. of Bangladesh. Mir Nasir Hossain, Sr. Vice-President, SCCI and Immediate Past President, FBCCI, Mr. Annisul Huq, President FBCCI and Mr. Iqbal Tabish, Secretary General, SCCI. Dr. Hossain Zillur Rahman, Hon'ble Advisor, Ministry of Commerce and Education, Govt. of Bangladesh inaugurated the Seminar as the Chief Guest. Commerce Advisor in his address stressed the need for greater collaboration and sharing of experience among South Asian Nations, as the global economic hurricane threatens to hit the region. He mentioned that the regional Governments have to pool together their thought process on the strategy to cope with the current global financial crisis that has pummeled stock markets financial institutions of the United States and top economics of Europe. The US Government has figured out that financial tsunami has already cost the world economy a whopping US\$ 1.0 trillion, but the International Monetary Fund has it at more than \$1.3 trillion.

The Commerce Adviser said trade facilitation is needed to expand our local trade and commerce after coming to power by an elected government and country's return to original political track. He said our trade and commerce will have to be expanded to whole South-Asia. We are trying to make out plan how such expansion can be expedited. In the past we spoke so many words but now it is time to implement the task with

momentum. He also said visa system, banking sector, customs, harmonization of standards; transportation of goods and infrastructure will have to be improved in order to expand the trade. Non-tariff barriers among the South Asian countries should be removed. And to improve the overall business and trade, our political leaders and businessmen will also have to change their mindset. Instead of sitting with the Government high officials, the real businessmen will have to sit with other real businessmen for promoting export and import. However, he admitted that coordination among the SAARC countries is yet to reach a convenient level. The progress so far is not sufficient. He also laid emphasis on talks between businessmen of the SAARC countries to find out the problems, possibilities and potential of trade in the region. He advocated for finding specific and prioritized issues in the region to deal with trade, which is not gaining momentum. Mr. Feroz Ahmed, Secretary, Ministry of Commerce addressed the function as Special Guest. While addressing Mr. Ahmed said, Regional Economic Cooperation is on the top priority now in the light of renewed momentum in the recently held SAARC Summit to achieve new breakthrough in trade and economic cooperation. To achieve it he said the region must establish a quick transportation system and seek more bilateral free trade to sort out issues on more flexible terms. He also emphasized the need for a regional transport agreement to facilitate regional transportation and exchanges. Progress in infrastructure building, banking, insurance, visa regime, quality control and harmonization of customs code are also important.

He said the South Asian Region faces some constraints while doing business across border. To enhance business and trade, there needs to be adequate infrastructure for transportation of goods. Inadequate land, sea and air links lead to increased costs and delay in delivery. Apart from these, non-tariff barriers are restricting trade and only add to costs and increase time for delivery. Non-tariff barriers list should be revised and reviewed in a time bound manner to expand the number of tradable items. He suggested countries like India, Pakistan, Bhutan and Bangladesh may adopt 'Visa on arrival' practice, especially to facilitate businessmen their easy access to destinations.

Trade Facilitation in South Asia

Mr. Annisul Huq, President, FBCCI said intra-regional trade potential became a much talked about issue but less worked out subject, so SAARC region suffers economically. He pointed out significant numbers of NTBs still hinders potentials in SAARC intraregional trade and bureaucracies in the countries are greatly responsible for that. He reiterated the demands for quick removal of the non-tariff barriers saying it is a must to increase the intra-regional trade. The sensitive list should also come down. He said regional leaders, including business leaders, are talking more than substantially acting on the core trade issues. They must increase focus on removal of real stumbling blocks to trade. He suggested the Government to remove all sorts of problems and barriers including customs, banking, insurance, visa system and transportation to boost up trade among the SAARC countries.

Mir Nasir Hossain, Former President, FBCCI said, increased SAARC trade may help alleviation of poverty in the region, but strict visa regime, poor infrastructure and fewer communications among the stakeholders hold the potentials.

Working Session-1:

Working session on 'Trade Facilitation-Bangladesh and Pakistan perspective' was chaired by Syed Manzur Elahi, Former Advisor to the Care taker Government of Bangladesh. In the session Syed Saifuddin Hossain, Sr. Research Associate, Center for Policy Dialogue (CPD) presented paper on 'Trade Facilitation-Bangladesh perspective' and Ms. Huma Fakhar, Partner, Fakhar Law Associate, Pakistan presented paper on 'Trade Facilitation-Pakistan perspective'.

Working Session-2:

Working session on 'Trade Facilitation India, Sri Lanka and Nepal perspective' was chaired by Mr. Mahabubur Rahman, President, ICC Bangladesh & Past President, FBCCI. In the session Dr. Sachin Chaturvedi, Fellow, Research and Information System for Developing Countries presented paper on 'Trade Facilitation-India perspective'. Mr. Kumar Mallimaratchi, Managing Director, Associate Hotels Lanka Ltd. Sri Lanka presented paper on 'Trade Facilitation-Sri Lanka perspective'

and Dr. Posh Raj Pandey, President, South Asia Watch on Trade Economics and Environment (SAWTEE), Nepal presented paper on 'Trade Facilitation-Nepal perspective'. Presenting a study paper titled "Trade Facilitation: Bangladesh Perspective" Mr. Syed Saifuddin Hossain, Senior Researcher, the Centre for Policy Dialogue suggested that SAARC working group on trade facilitation would have to be established soon.

Sachin Chaturvedi of the Research and Information System for Developing Countries, presenting the Indian perspective said regional trading arrangements need to be equipped with mechanism for trade facilitation.

Posh Raj Pande of the Kanthmandu based South-Asia Watch on Trade Economics and Environment said, specific provisions of transit freedom should be included in regional agreements. Sri Lankan expert Kumar Mallimaratchi stressed on simplification of procedures for establishing new business ventures within SAARC countries. During discussions in the working sessions, it was mentioned that trade facilitation traditionally defined to involve reducing the transaction costs by streamlining the customs and other border agency's procedures and related documentary requirements. Its focus is on simplification of standardization and harmonization of trade processes, procedures and related information. WTO describes trade facilitation as the simplification and harmonization of international trade procedures covering the activities, practices and formalities involved in collecting, presenting, communicating and processing data and other information required for the movement of goods in international trade. During the open discussions, about twenty distinguished participants expressed their comments and opinions, which covered the following broad areas:

- Current status of trade facilitation process in SAARC countries
- Steps required for further development of trade facilitation in the region
- Areas for capacity building,
- WTO provisions regarding trade facilitation etc. and other relevant issues

The discussants touched upon, in particular, the

following points:

- Ensuring effective utilization of the automated system by setting up required infrastructure and providing capacity building program for the govt. officials and members of the private sector.
- Improving infrastructure of Customs Points/Ports
- Developing an Effective regional customs – to- business consultation mechanism.
- Ensuring customs to customs co-operation and entrepreneurs –to- entrepreneurs relationship within SAARC
- Regional integration is necessary for the SAARC member countries. Standardize the customs procedures within the SAARC region. Simply the procedures for establishing new business ventures within the SAARC Countries.
- Ensuring greater political will to recognize the needs and designing strategies for the regional connectivity. Mindset should be changed in this regard.
- Establishing SAARC working Group on trade facilitation.
- SAFTA should be made effective to overcome various constraints and challenges for the SAARC countries.
- Priority attention be given to transportation / connectivity / transit related issues among the South Asian Countries.
- SAARC Chamber of Commerce and Industry (SCCI) should play proactive role for formulating recommendations on trade facilitation in the region.
- Capacity building of SCCI as well as the national Chambers of the member countries be given due priority.
- Establishment of common web-portal for SAARC countries.
- Attention should also be given to standardization/certification/photo-sanitary compliances etc.
- SAARC certification body is established.
- Easy visa formalities for all South Asian Countries.

Syed Manzur Elahi, former Advisor of the caretaker Government chaired the working session-1. While summing up Mr. Elahi stressed

the need to facilitate movement of goods, services and people across the SAARC region, remove non-tariff barriers, establish regional transportation network, develop infrastructure. SCCI should play more active role to implement the recommendations of the seminar.

Mr. Mahabubur Rahman, Past President, FBCCI chaired the second working session and summarized the presentations as follows:

Harmonization and simplification of trade procedures and to making trade and transit more efficient are needed, in order to facilitate trade in the region SAARC should play its due role in real speed and sprit for trade facilitation in the region.

Implementation of WTO Agreements on Customs Valuation, Import Licensing, Pre-shipment Inspection, Rules of Origin, Technical Barriers to Trade is essential for promoting regional trade. Implement SAFTA Agreement and to reduce the sensitive lists; remove NTBs and regularize and liberalize trade in service sectors. Based on the foregoing discussion, the following recommendations have been taken:

Recommendations:

1. South Asian Association for Regional Cooperation (SAARC) during last 23 years has not been able to address properly the issues of the simplification and harmonization of trade procedures, to make trade and transit more efficient, in order to facilitate trade in the region. We recommended that SARC should play its due role in real speed and sprit for trade facilitation in the region.
2. SAARC countries should make efforts for implementation of WTO Agreements on Customs Valuation, Import Licensing, Pre-shipment Inspection, Rules of Origin, Technical Barriers to Trade, which are the integral components of any trade facilitation regime.
3. The high cost of formal trade due to poor trade facilitation only promotes informal trade with its own adverse consequences of loss of revenue for the Governments and

criminalization of our borders. In order to generate revenue for the government and protect the boarder from informal trade and criminalization, it is recommended to go for trade facilitation.

4. There is tremendous potential for developing regional and sub-regional energy resources in an integrated manner and strengthen regional cooperation in capacity development, technology transfer and the trade in energy. It is therefore needed to develop the regional hydro potential, grid connectivity and gas pipelines. The possibility of evolving an appropriate Regional Inter- Governmental Framework may be explored to facilitate such an endeavour.
5. An efficient multimodal transport system in the region for integration and for sustaining the region's economic growth and competitiveness may be implemented in a gradual and phased manner as per proposals of the SAARC Regional Multimodal Transport Study.
6. Close regional cooperation in Information and Communication Technology (ICT) along with enhanced Digital Connectivity among the Member States to be continued and completion of the ongoing works to upgrade the regional telecommunication infrastructure to be expedited.
7. Efforts may be made to take concrete measures to improve trade facilitation in terms of the mutual recognition of standard, the adoption of common tariff nomenclature, the harmonization of customs procedures etc.
8. The impact of SAPTA on generating trade in the region has been negligible. This has largely been due to the limited number of concessions, the irrelevance of much of the concessions that have been offered, limited depth of tariff cuts, failure to deal with non-tariff issues and restrictive Rules of Origin. Political tensions in the region, particularly between India and Pakistan have only served to undermine regional economic cooperation. United efforts of all the member states are required to strengthen SAPTA.
9. Given the limited achievements of the SAPTA process, bilateral trade agreements are now being pursued more vigorously among the SAARC member countries, offering far more liberal and substantial concessions than anything under the regional framework. The Indo-Lanka Free Trade Agreement (ILFTA), signed in December 1998 came into operation in March 2000. More such agreements are in pipeline, posing a threat to further fragmentation of a common South Asian goal towards regional integration. A consensus among the member states should be attained to save the region from fragmentation.
10. Implement SAFTA Agreement and to reduce the sensitive lists; remove NTBs and regularize and liberalize trade in service sectors
11. Integration of regional infrastructure to facilitate the movement of goods, services, and people across the SAARC region for: -
 - Road connectivities
 - Port connectivities
 - Rail connectivities
 - Open sky policy for air travel
12. Adopt a regional investment protocol to promote and protect intra regional investments and joint ventures in South Asia;
13. Finalize and expeditiously implement Regional Motor Vehicle Transport Agreement.
14. Introduce World-class infrastructure at land border ports of SAARC member nations.
15. Adopt open sky policy in South Asia - improve air connectivity by ensuring direct flights between capital and other major cities and giving access to private airlines in all countries to operate in the region.
16. Promote energy cooperation to enhance energy production and transmission among SAARC member countries thereby reducing cost.

Trade Facilitation in South Asia

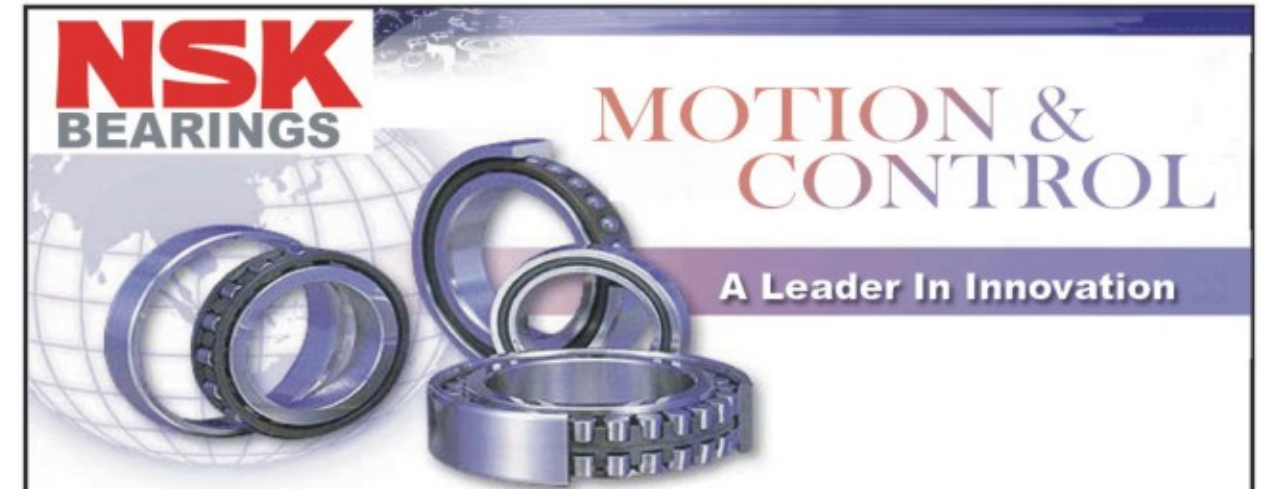
17. Expand scope of cross border water cooperation from water sharing to benefit sharing (e.g. Hydropower)
18. Provide easy and long term multiple entry visas to businessmen and tourists.
19. Adopt and implement a Regional Environment Treaty.
20. Promote and facilitate SAARC countries owned shipping Vehicles to have priority berthing at each other's ports; create special facilities for land-locked countries.
21. Introduce broadcasting of TV Channels (Government and Private) of all SAARC Countries in the entire region; allow content sharing and co-production in entertainment sector.

and timely organized and expressed his optimism that the recommendations made at the Seminar would be implemented through SAARC Chamber with a view to making the SAFTA more effective and functional.

Conclusion:

Mr. Iqbal Tabish, Secretary General, SCCI expressed sincere thanks and gratitude to the participants for participating at this important seminar, making valuable contribution and providing inputs to prepare recommendations of the seminar. He expressed hope that the recommendations of the seminar would be considered by SAARC to remove the existing barriers and develop infrastructure for promotion of investment in this region. He also appreciated FBCCI secretariat to organize the seminar within a short notice and to make the programme successful.

Mir Shahabuddin Mohammad, Secretary General, FBCCI acknowledged contribution of SCCI for sponsoring the Seminar. He also extended heartfelt thanks and gratitude to the resource person of different countries including Bangladesh for making valuable contribution by presenting thoughtful and informative papers on the concerned topics. He also expressed gratefulness to the Chairperson for sparing their valuable time in spite of their busy schedule. He has noted that the Seminar was very successful

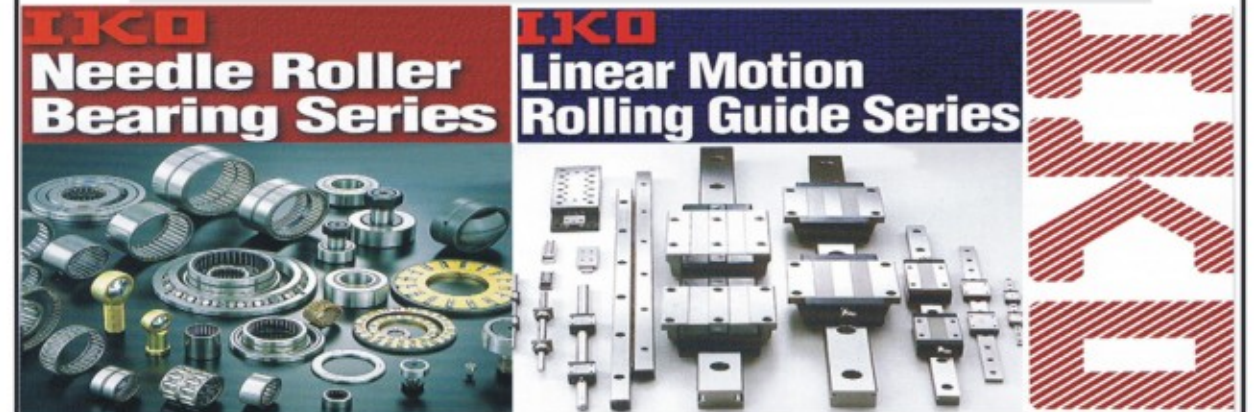


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India/Pakistan *Economic Relations*

India/Pakistan Economic Relations

Introduction:

FICCI had organized a Conference on India-Pakistan Economic Relations on November 12, 2008 at FICCI, Federation House, New Delhi. The Conference was supported by SAARC Chamber of Commerce and Industry (SCCI) and Friedrich Naumann Foundation (FNF). On this occasion, a high-powered strong 100-member Pakistan business delegation led by Mr Tanvir Ahmad Sheikh, President, Federation of Pakistan Chambers of Commerce and Industry (FPCCI) participated in this Conference. Mr Jairam Ramesh, Hon'ble Minister of State for Commerce and Power, Government of India inaugurated the Conference.

Brief Report of the Conference:

Mr. Harsh Pati Singhania, Senior Vice President, FICCI delivered the welcome address. In his address, he pointed on the fact that both India and Pakistan are facing significant stress on account of global factors because of the turbulence which got generated in the US by the sub prime crisis and its tremors war also felt both in India and Pakistan. He took this opportunity to re-emphasize the importance of building economic bridges between India and Pakistan. He also reiterated that Pakistan could export to India with comparative advantage in numerous products such as cement, cotton yarn, textiles, leather products, surgical instruments, fans, water coolers, paper, molasses, vegetables and fruits. Likewise the import of products such as iron ore, steel, chemical and dyes, minerals and textiles machinery will meet Pakistan's requirements of capital goods and other manufactured goods at the lowest possible resource cost.

Mr. Onkar S.Kanwar, Past President, FICCI who took over as Co-President, India-Pakistan Chamber of Commerce and Industry, in his address, advocated for creating conducive environment for trade and investments between India and Pakistan.

Mr. Kanwar further underscored the need for liberalizing the visa regime between the two countries by issuing non-police reporting and multiple entry visas. He called for a better understanding and timely facilitation for India

Pakistan joint ventures. He urged both the Governments to set up an institutional mechanism that would guarantee each other's investment by signing an investment promotion and protection treaty. He also put forward the FICCI's 10-point agenda for enhancing and intensifying India-Pakistan Economic Relations.

Mr. Tanvir Ahmad Sheikh, President, Federation of Pakistan Chambers of Commerce and Industry and Leader of the delegation, delivered the theme address at the Conference. In his address, he listed out the potential sector for trade, investment and joint venture as engineering, automobiles, pharmaceuticals, textiles, textiles machinery, chemicals, plastics and agri-business. He further said that SAFTA would contribute significantly to intra-regional trade along with scope for enhancing India Pakistan trade, particularly in transportation equipment, engineering goods and IT products.

He also pointed out that complete elimination of tariffs under SAFTA would also increase the intra-regional trade by 1.6 times from the existing level. Mr. Tariq Sayeed, President, SAARC Chamber of Commerce and Industry, delivered the special address. In his address, he called upon the Governments of SAARC countries to facilitate the visas for the business community. Some of measures referred by him included increase in the number of SAARC visa exemption stickers from 100 to 300 for each member country of SAARC; removal of the restriction of visiting three cities only for the holders of SAARC stickers; including 'spouse' in the category 17 specified for office bearers and members of the executive committee of SCCI; and issuance of multiple entry visas to 500 businessmen for five years.

Mr. S.M. Muneer, President, India Pakistan Chamber of Commerce and Industry, who took over the presidency in the Fifth meeting of Executive Committee of India Pakistan Chamber of Commerce and Industry, delivered an address in this Conference. In his statement, he said that there exist a great opportunities for establishing joint ventures between the two countries in small scale industries, agri business, hydro power, cement, caustic soda, livestock and dairy products and rural development. He reiterated the fact that the movement of cargo through rail is quite irregular which needs to be streamlined for greater

India/Pakistan Economic Relations

movement of the goods. He stressed that the businessmen of India and Pakistan should be allowed five years multiple entry business visa to facilitate their travel for enhancing businesses between the two countries.

H. E. Mr. Shahid Malik, High Commissioner of Pakistan also spoke on this occasion. He emphasized the role of further deepening economic relations between both the countries. In his address, he informed that the frequency of trains had been increased from one to two trains per day. He reiterated the importance of single country exhibition, operation of private airlines between the two countries and direct banking service by opening bank branches in each other country.

Mr. Jairam Ramesh, Union Minister of State for Commerce and Power delivered the inaugural address. In his address, he underlined the need for liberalizing investment regime by both India and Pakistan, which is the answer to the trade deficit issue raised by Pakistan. FDI from Pakistan to India should be allowed to encourage the real investors to each other's country.

Mr. Ramesh also pointed out that there exists a lack of telecommunication link between the two countries. He pointed on the last development of optical fibre link which would be operational by end of 2009 which would help in bridging this gap.

He informed that both India and Pakistan had allowed banks to set up branches in either country. The decision has already been taken by both the Governments and its implementation is awaited as the banks needs to make an application to their respective central bank in this regard.

Mr. Ramesh also informed that India has embarked Rs 150 crore project to set up a modern integrated check post and upgradation of immigration facilities at the land custom stations at Wagah and Attari Border.

Mr. Vikramjit Singh Sahney, Executive Committee Member, SAARC Chamber of Commerce and Industry from India delivered the Vote of Thanks on this occasion.

The inaugural session was followed by sectoral presentations on agri business and food

processing, cement sector and textile sector. The Sectoral Session I was moderated by Mr Vikramjit Singh Sahney. Mr. Sayed Yawar Ali, Chairman, Nestle Milk Pak Limited; Mr Pravin Kumar, General Manager, APEDA; Mr Zubair F Tufail, Vice President, FPCCI and Chairman Tufail Chemicals, Pakistan and Mr Azhar Majeed Shaikh from FPCCI gave presentations on this occasion.

The Sectoral session I was followed by presentation on trade through Wagah, perspective on LoC trade and connectivity through railways. Mr. S K Aggrawal, Director, Vimal Organics Ltd., moderated this Session and also made presentation. Mr. S Wajid, General Manager – International Marketing, Jaguar Overseas, New Delhi and Chowdhary Mohammad Saeed, Former President, FPCCI also spoke on this occasion.

The valedictory session was chaired by Mr. Rajan Kohli, Deputy Secretary General, FICCI. Dr Rene Klaff, Regional Director, Friedrich Naumann Foundation (FNF) spoke on the importance of India Pakistan Relation which has an impact on entire South Asia. He shared the EU experience in Germany and France, where economic relations played a key role in easing out political tensions between the two countries and resulted in the strong economic bloc. He further added that the favorable relationship between two biggest economies of SAARC would have a positive impact on the other smaller countries of South Asian region. The closing remarks were given by Mr. S M Muneer, President, India Pakistan Chamber of Commerce and Industry.

The valedictory session was followed by B2B meetings between businessmen of India and Pakistan. FICCI in honor of visiting Pakistan business delegation organized a cultural evening and dinner at FICCI Auditorium. The meeting was well attended by senior government officials, diplomats, researchers, businessmen from India and Pakistan and media personnel.

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Socio-Economic

Prospects

in the SAARC Region: The Way Forward

Socio-Economic Prospects in the SAARC Region: The Way Forward

Introduction:

Charter Day is celebrated on 8th of December every year in commemoration of the day when seven nations of South Asia i.e. Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka adopted SAARC Charter at the time of creation of the South Asian Association for Regional Cooperation (SAARC) on 8th December 1985.

Since, Eid-ul-Azha was being celebrated in the Muslim community throughout the world, therefore, SAARC CCI organized the 23rd Anniversary of SAARC Charter day on 22nd December 2008 at Islamabad. This day reminds the perspective Governments of SAARC and its affiliated organizations to continue their efforts for achieving objectives of regional integration, cooperation and prosperity.

Objectives:

- To provide a platform for policy makers, planners and stakeholders for sharing their experiences and exchange of new ideas towards bringing peace and progress in the region.
- Forge stronger intra-regional links for cooperation and collaborations among the SAARC Countries by eliminating mistrust among them.
- Condemnation of Islamabad and Mumbai Attacks; by Joining hands in defeating the nefarious designs of the terrorists

Participants:

Seminar was widely attended by the senior diplomats from SAARC member and observer countries in Pakistan, CEOs/Presidents of SAARC affiliated institutions, business leaders, academic experts, professionals and civil society representatives etc. who met and shared their views to make SAARC a prosperous region.

Resource Persons:

Valuable suggestions and recommendations for policy making were discussed by the distinguished

speakers at the occasion representing SAARC Countries including:

- H.E. Mr. Bala Bahadur Kunwar, Ambassador, Royal Embassy of Nepal
- Mr. Manpreet Vohra, Acting High Commissioner, Indian High Commission
- Mr. Majnoon Gulab, Deputy Head of Mission, Embassy of Afghanistan
- Ms. Nizwee Rasheed, Second Secretary, High Commissioner of the Republic of Maldives
- Mr. Aizaz Ahmad Chaudhry, Additional Secretary, Ministry of Foreign Affairs, Government of Pakistan
- Dr. Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute, Islamabad – Pakistan.

Brief Report of the Seminar:

SAARC Chamber of Commerce & Industry (SAARC CCI) organized a seminar under the theme of "Socio-Economic prospects in the SAARC region – The Way Forward" to celebrate 'SAARC Charter day' on December 22, 2008 at Serena Hotel, Islamabad - Pakistan.

The seminar was moderated by Mr. Iqbal Tabish, Secretary General, SAARC CCI and the welcome address was extended by Mr. Tariq Sayeed, President SAARC CCI, who said that Lack of political commitment, protectionists policies, non-resolution of political issues main hurdles in the process of development of South Asia. Despite the fact that all member states of SAARC have been making endeavors for enhancing cooperation at socio-economic level, earnest commitment to resolve political issues drastically required to achieve the objectives of SAFTA that provides a tangible mechanism to achieve the targets envisaged under SAARC charter.

Hon'ble Nawabzada Malik Amad Khan, Minister of State, Ministry of Foreign Affairs, Government of Pakistan was the Chief Guest of the Seminar. During his address, while stressing the need to fully realize the potential of South Asia he said that we should make SAARC, goal-oriented, practically viable and productive. The focus should be on implementation of our joint decisions, translating the potential of SAARC into tangible terms and prioritizing its activities". Hon'ble Mr. Amad said

Socio-Economic Prospects in the SAARC Region: The Way Forward

that in the past two years, SAARC had witnessed significant upsurge in its activities. We need to build on the momentum gained. The Colombo summit provided a fresh impetus to reinvigorating regional cooperation in South Asia. The SAARC Development goals, SAARC Social Charter plans for enhancement of trade and regional connectivity as well as commitment to promote people to people contacts, all have the potential to transform the socio-economic landscape of our region". Mr. Khan complimented SAARC Chamber of Commerce and Industry and Mr. Tariq Sayeed President SAARC CCI for their contributions and commitments towards the prosperity of SAARC Region.

While addressing **Mr. Manpreet Vohra**, Deputy High Commissioner, Indian High Commission, said that dispute between neighbors are natural. We should keep working to resolve them, but do not hold back progress in areas where it is clearly needed and where success is apparent. He emphasized that there is a need to move forward more rapidly and with greater purpose and resolve towards constructive regionalism.

H.E. Mr. Bala Bahadur Kunwar, Ambassador, Embassy of Nepal, shared his views that 21st century will be an Asian century and we have to work hard to make this a reality for our region, the smaller, poorer member states of the SAARC have been desperately waiting since long to see the light of a day when India and Pakistan will be able to amicably resolve their long standing disputes between and work jointly with the rest of the member states in a true spirit of mutual trust, cooperation and understanding, thus igniting the synergy of the region to the optimum mutual benefit of all partners.

Mr. Majnoon Gulab, Deputy Head of Mission, Embassy of Afghanistan, said that Afghanistan has become an active member of SAARC in just a few years which is a result of its partnership with international community. He said that in the momentous task of shaping the socio-economic future of our region, given a sense of vision, we have only one option available, cooperate and prosper together, that requires seriousness in genuine cooperation to fight against terrorism which is main obstacle to achieve the goals and objectives of SAARC.

Ms. Nizwee Rasheed, Second Secretary, High Commissioner of the Republic of Maldives stressed that the governments of SAARC Countries must take concrete steps for the implementation of SAFTA. Engagement of public in a more systematic way for timely implementation of decisions is required. She said that the future of SAARC was bright provided the concrete steps are taken to promote regional cooperation.

Mr. Aizaz Ahmad Chaudhry, Additional Secretary, Ministry of Foreign Affairs, Government of Pakistan shared his views that commemoration of SAARC Charter day sends a powerful signal to the people of region and the world at large that no matter how difficult the challenges are, we in Pakistan remain fully committed to promoting regional cooperation. Our commitment to SAARC is rooted in our conviction that the destiny of the people of South Asia is inter-linked. He stressed that SAFTA is a valuable vehicle for achieving the objectives of SAARC.

Dr. Abid Qaiyum Suleri, Executive Director, Sustainable Development Policy Institute, Islamabad while discussing the way forward for sustainable development said that South Asian countries must leave the past baggage behind and look ahead so that the politics of hate & mistrust must not hinder the process of collaboration in SAARC region. He urged to dream (for) a new South Asia where Human rights are of prime importance and availability of basic necessities of life i.e. water, food, education and health facilities will be properly taken care of by its governing bodies.

The seminar was concluded by **Mr. Zubair Ahmed Malik** Executive Member, SAARC CCI, who regarded the session as a success in terms of meaningful deliberation and requested the diplomats to continue their efforts for promoting peace in the region.

Resolution adopted

- SAARC should be made more meaningful for its people by giving SAARC a truly people centered focus through all its programs and mechanisms.
- SAARC Member States should work with firm resolve towards creating greater awareness

Socio-Economic Prospects in the SAARC Region: The Way Forward

among the public on the mutuality of interests which is vital for successful regional cooperation.

- Political stability is a must for the region, if we desire to develop South Asia as a leading economic grouping of the World.
- For effective implementation of SAFTA, it is imperative to envision a regional strategy for development that could supplement coordinated efforts to address the challenges like Poverty, unemployment, access to quality education and health facilities. The thrust for this social uplift can only be quenched with greater economic cooperation and integrating economies on the pattern of European Union, NAFTA and ASEAN.
- Key players of the SAARC should resolve their issue for the adoption of common agenda for the economic development of the region.
- Outside the inter-Governmental sphere, the increasing contacts and interactions between the peoples of our region are an important aspect of the SAARC process and must receive the encouragement of Governments through more flexible Visa availability and enhanced role of the Government agencies as facilitators.
- The main objective of SAARC should not be forgotten which is the promotion of the welfare of the people of South Asia as a whole and the improvement of the quality of their lives.
- The SAARC family must work together with firm resolve to meet the common challenges, especially those that threaten our security, peaceful co-existence and progress in the region.

SAFTA: *Efforts* for Trade Liberalization and Way Forward SAARC CCI

SAFTA: Efforts for Trade Liberalization in South Asia & Way Forward

Introduction

The efforts for trade liberalization in South Asia had commenced since the establishment of SAARC in 1985, which gained momentum after SAPTA ratified in 1993 and further refined in SAFTA signed on 6 January, 2004 in Islamabad during the 12th SAARC Summit.

Two most important elements of a free trade area such as sensitive lists and rules of origin remained unresolved during the time of signing. There was no agreement on mechanism for compensation of revenue losses for LDCs and areas for technical assistance for LDCs - for this reason, the summit decided to give effect to the agreement from 1 January 2006 and directed to continue the work of the Committee of Experts to conclude negotiations on those issues. However, due to procedural requirement for ratification of the agreement, commencement of trade liberalization programme delayed and commenced on 1 July 2006.

Since its ratification, SAFTA has been criticized in different angles, however, extent of benefits under SAFTA will largely depend on several factors which include coverage of the Sensitive lists of other countries, rules of origin, revenue loss compensation mechanism (RLCM), additional measures, dispute settlement, Non-Tariff barriers & Para-tariff Barriers.

Growth Performance in South Asia: Salient Features

GDP growth rates in SA are one of the highest amongst developing world (8% in India, 5.5% in Bangladesh). The recent USI Reports illustrates Indian progressive growth in 2025. South Asian economies are becoming increasingly open (import-weighted tariff rates, as high as between 50-85% in early 1990s, have come down to 10-20%; FDI regimes are one of the most liberal in terms of equity requirement, profit repatriation, negative lists of sectors). Some modest improvement in terms of human development indicators (infant mortality rate, access to safe drinking water and sanitation, adult literacy rate, gender disparity) has been witnessed. Most of the South Asian Economies are making a crucial transition from predominantly aid-receiving nations to trading nations, however, we can not

ignore the facts that four of the seven South Asian countries are LDCs.

Today, South Asia has the largest concentration of poverty in the world estimated to be more than 450 million peoples. It is faced with the featured problem of growing disparity between rich and poor (Gini-coefficients in most SA countries are increasing). UNCTAD 2004 LDC Report on Linking International Trade with Poverty Reduction (Poverty impact of export-orientation, remittance) has recommended trade promotion for poverty reduction, however, a very slow development has been witnessed to use trade as tools for poverty curtailment, which is the outcome of weak regional integration in SA (intra-regional trade only 4%, to compare 62% in NAFTA, 46% in EU and 24% in ASEAN), Moreover region is faced problem in terms of increasing global integration in the face of growing challenges.

Major Challenges Facing South Asia

- Attaining sustained high level of growth (savings and investment, raising total factor productivity)
- Distribution of Growth and Poverty Reduction
- Stimulating greater regional cooperation
- Making global trading system work for the development of South Asian economies

SAFTA: Areas of Bottlenecks

Article 3 (D) of SAFTA has specifically mentioned that the agreements 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 other equivalent measures;- but due to a number of factors comprising political, economic and technical reasons the good wish becomes restricted only in paper.

The issues like Sensitive list (SL), revenue loss compensation mechanism (RLCM), NTBs and Para TBs, Dispute Settlement Mechanism have been emerged as real impediments in smooth process of SAFTA.

Article 7.3 (b) recommends that the sensitive list be reviewed every 4 years- time frame too long given the size of SLs in SAFTA. Therefore it requires adoption of progressive reduction in Sensitive List.

SAFTA: Efforts for Trade Liberalization in South Asia & Way Forward

NUMBER OF SENSITIVE GOODS IN SAFTA

Country	Total number of Sensitive List		Coverage of Sensitive List as % of Total HS Lines	
	For Non-LDCs	For LDCs	For Non-LDCs	For LDCs
Bangladesh	1254	1249	24.0	23.9
Bhutan	157	157	3.0	3.0
India	473	744	16.6	14.2
Maldives	671	671	12.8	12.8
Nepal	1335	1299	25.6	24.9
Pakistan	1191	1191	22.8	22.8
Sri Lanka	1079	1079	20.7	20.7

Sensitive list reveals that these items constitute a substantial share in the number of total tradable items, and also in terms of total amount of trade value. In the absence of clear-cut modalities of reduction of Sensitive List, movement of SAFTA in the forward direction has been slow. This issue may be address by undertaking following measures.

- Modalities for identification of items to be excluded from the sensitive list- Most of the countries preferred to request offer approach.
- Time frame for reduction /elimination of tariffs for items under exclusion
- Date of commencement of tariff reduction programme for items to

Trade facilitation has become increasingly important for modern trade, with an anticipation that benefits will cover beyond SAFTA (WTO and BFTAs), however not much has been done in respect of Trade facilitation. In view of that South Asia is infected by transaction costs despite SAFTA agreement has extensive list of TF measures without binding commitments. The problems associated with Trade facilitation need to be reviewed. Presently, TF measures have high fixed costs, benefits felt in medium-long run, thus little political will to implement is drastically required. Some additional measures need to be adopted to address the problems which include simplification and harmonization of customs operations, transit simplification, Standards harmonization and binding commitments for implementation and S&DT for LDCs.

Non tariff barriers	Share (%)
SPS, TBT, and other Related Measures	86.3
Tariff Quota	9.8
Anti-Dumping Measures	7.4
License Requirement	5.3
Countervailing Measures	1.2

ADB-2008

The other area which needs to be addressed is trade liberalization programme, which does not include binding measures on NTBs. It is, therefore, important to distinguish 'real' and 'perceived' NTBs and get on with addressing the attendant issues.

It is very important to mention here that the nature of NTBs in South Asia is different from other trade blocs and specifically are Political (mindset), Economic (domestic industry protection) and Technical (lack of technical knowledge and assistance

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Non tariff barriers and Para-tariffs in SAARC Countries

Country	Non tariff barriers	para-tariffs
Bangladesh	Health, Religious, Environmental and balance of payment purposes <ul style="list-style-type: none"> ■ Quantitative restriction ■ Quasi-QRs ■ Import through state trading enterprises (salt) ■ Restricted port of entry 	<ul style="list-style-type: none"> ■ Infrastructure development surcharge ■ Supplement duties ■ Regulatory duties Vat exemptions for specified domestic products
Bhutan	None	None
India	<ul style="list-style-type: none"> ■ Tariff rate quotas ■ Import through state trading enterprises ■ Health and sanity regulations (quarantine fees) ■ Restricted port of entry and inland customs port ■ Antidumping and countervailing duties ■ Customs valuation 	None
Nepal	None	<ul style="list-style-type: none"> ■ Special fee ■ Local development fee ■ Agricultural development fee
Pakistan	<ul style="list-style-type: none"> ■ Mostly free from NTBs ■ Exception: ban on imports from India of products not on the positive list of 771 items (corresponding to about 1500 8-digit HS lines) ■ Local content required in the auto industries 	<ul style="list-style-type: none"> ■ Income withholding tax Extra protection for some products through sales tax/Regulatory duties (mostly phased out)
Sri Lanka	<ul style="list-style-type: none"> ■ Import ban (tea and certain spices) ■ Import monopoly (wheat) ■ Health and sanity regulations 	

Market Access Barriers

Some movement has been noticed towards issue of Market Access. The duty free and quota free access provided by India to Bangladesh is a welcome move to give such an incentive to the products of LDCs- So far India allowed 8 million pieces of RMG entry with duty free within 2008. Till now BD has been able to export 3 million (another 1 million by Dec, 08) - Since it is the 1st year a number of information gap and administration procedure leads to half utilization.

- Bangladesh: Started the export procedure in June and exporters reluctant to take advantage of this low amount of order.

- Pakistan was supposed to provide 70% concessions to the products of LDCs, has fixed the tariffs at 5% taking the liberty to fix the tariff at 0-5%. It might require clarification that whether Pakistan intends to reduce its tariff below 5%.

- Like India, Pakistan can introduce DF-QF initiative on a limited number compare to India.

Conclusion and Way Forward

From LDCs point of view the extent of benefits from SAFTA will depend crucially on her capacity to (a) promote export diversification, (b) enhance

SAFTA: Efforts for Trade Liberalization in South Asia & Way Forward

productivity and (c) strengthen export competitiveness.

At the regional level, some measures are recommended, which will help implementing SAFTA in more productive manner and are as follow:

- Adopt and implement a SAARC Single Window initiative for trade facilitation: The SAARC Secretariat may set up a special working group to carry forward this initiative.
- Ensure Customs-to-Customs cooperation within SAARC.
- Develop regional customs-to-business consultation mechanism.
- Establish a SAARC Working Group on Trade Facilitation.
- SAARC 15th Declaration urged an effective exploration of the regional hydro-potential, grid connectivity and gas pipelines- SAARC members could seek funding under the WTO A4T Initiative.
- Ensure greater political will to recognize the needs and designing strategies for regional connectivity.
- Cooperation in these areas could also address many perceived NTBs that constrain intra-regional trade in the region.
- The three treaties on double taxation, customs administration cooperation and on arbitration signed during the 13th SAARC Summit-implementation of that would be major challenge ahead.
- SAFTA Implementation would require signing of various agreements, MOUS and protocols. Some of these could include a framework agreement on mutual recognition of certification, laboratory testing and standards a motor vehicle agreement, customs cooperation and harmonization agreement and transit-transport cooperation agreement.
- Intra-SAARC Investment to establish testing laboratories (e.g. the EU has already established such laboratories in BD where she controls quality of exports to the EU)
- Measures to promote trade facilitation will be a major requirement.
- A need for up gradation of customs facilities, visa procedures, port facilities.
- Ability to attract intra-regional and extra-regional investment: key factor in realizing the potentials of preferential market access.
- Concrete initiatives towards trade facilitation and building up trade related infrastructure will be of crucial importance.
- Establishment of a supranational institute (SARSO) could play a central role in ensuring compatibility of standards among the various countries- cultivated spillover

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Energy Trade in South Asia

Energy Trade in South Asia

Introduction

South Asia is marked by rapid economic and population growth. However, even with an average total growth rate close to 6%, the region has one of the lowest per capita incomes in the world and has intra-regional trade less than 2% of GDP, as compared to 20% for East Asia. However, the region is one of the tremendous economic potential through challenges exist. In many cases,

badly needed infrastructure advances of all types – with energy being at the forefront – have not kept pace with rapid economic expansion. And throughout the region, extreme poverty persists which is exacerbated by a lack of access to electricity. Despite apparent synergies and opportunities existing for cross border energy cooperation, the energy and power trade in the region is extremely low.

Key Macroeconomic Indicators	Bangladesh	Bhutan	India	Maldives	Nepal	Pakistan	Sri Lanka	SAARC Aggregate	ASEAN Aggregate
Population - million	137.00	0.769	1,107.00	0.29	25.30	153.96	19.67	1,443.99	558.81
GDP - billion US\$*	57.28	0.82	727.75	0.75	7.47	110.02	23.54	927.63	884.35
YoY GDP growth percentage	5.00%	5.80%	8.40%	-2.90%	2.80%	7.80%	6.0%	4.70%	5.50%
GDP per capita - US\$	418.11	1,107.98	723.38	2,601.44	295.36	714.58	1,197.86	1,008.39	1,582.60
Foreign Exchange Reserves - million US\$**	2,825.30	398.60	136,025.72	186.30	1,504.40	10,948.00	2,736.50	154,624.82	-
Imports - million US\$	12,575.49	422.66	140,777.10	58.19	1,852.19	20,630.40	8,869.50	185,185.53	576,742.37
Exports - million US\$	7,902.53	187.56	101,056.24	8.11	816.00	14,453.06	6,351.13	130,774.62	648,147.02
Aggregate FDI*** - million US\$	740.00	8.99	5,733.00	9.70	1.90	2,832.00 ¹	235.00	9,560.59	38,082.93
Total External Debt - million US\$	20,344.10	593.30	122,722.70	344.80	3,354.20	35,687.20	10,886.50	193,932.80	-

Source: Asian Development Bank website (accessed: February 18, 2007)

*At current market price **Foreign Exchange Reserves including gold *** Foreign Direct Investment 1 - Expect to be in excess of US\$6 billion in 2007

ASEAN: Brunei Darussalam, Cambodia, Indonesia, Lao PDR, Malaysia, The Philippines, Singapore, Thailand, Viet Nam

Power and energy are major inputs that determine the speed and the nature of economic activities and growth in energy and power use is closely related to growth in industry. The fast growing South Asian region is well established on a high growth path, which has led to a rapid increase in energy consumption. In 2003, South Asia accounted for about 4% of the total world energy use up from 3.1% in 1993 (World Development Indicators, 2006). However, despite rapid growth in energy demand, the South Asian energy scenario is marked by low levels of per capita energy consumption, high energy intensity, and high levels of energy consumption per unit of GDP. The Energy Information Administration (EIA) estimates that South Asia's primary energy consumption showed an increase of 52% between 1993 and 2003.

- India, Pakistan and Bangladesh being the region's largest economies with 80.03%, 10.99% and 5.72% share of the regional GDP and also the most populated countries of the region.
- India, Pakistan and Sri Lanka are fastest growing economies in the region with a GDP growth rate of 8.40%, 7.8% and 6.0% followed by Bangladesh with a growth rate of 5.0% respectively.

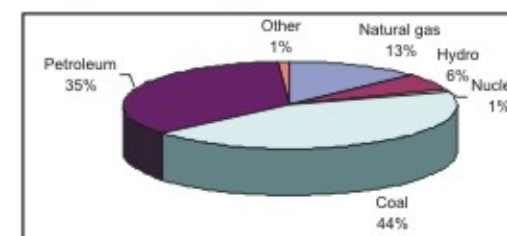
Pattern of Energy consumption in South Asia:

Energy in broad term encompasses all forms of energy, oil, gas, coal, biogas, electric power, etc. Progress, development and Effluence of a country are gauged from the quantum of electricity its Citizens consume.

**Total Electricity produced in the world:
17,350 billion KWH**

**Total world consumption:
15,747 billion KWH.**

Figure 1: Energy Mix in South Asian



Source: Energy Information Administration Website (accessed 2007)

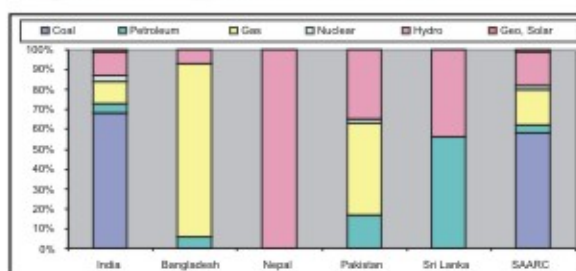
Energy Trade in South Asia

The highest consumption, Sweden: 15,665kwh/capita USA has a consumption of 13,228kwh/capita while India, 6th highest in consumption of 587.9 Kwh, has 606kwh/capita. In contrast Pakistan has 384 while Sri Lanka has 300kwh/capita.

Even Congo (population 65million) has 447kwh/capita. Saudia has a consumption of 6,103 while Turkey has 1,558. Shortage of electricity is an international phenomenon and not confined to any particular region. Developed Economies of the West have not felt shortages. Finding enough to fuel industrialized economies and pull developing countries out of poverty is a central challenge of the 21st century.

Energy, in the perspective of energy crisis that led to international economic crisis, is defined as oil. In South Asia, coal and petroleum are predominant sources of the energy in the region as shown in the figure 2, although there are significant variations within the region. Bangladesh's energy mix, for example is dominated by natural gas(86% in 2005) ,while India relies heavily on cost (55%) and then hydroelectric power(26%) as of 2006.Maldives is overwhelming dependent on petroleum (100%),whereas Sri Lanka is dependent on hydroelectric power and petroleum(33%) ,natural gas(30%),and hydroelectric power (33%), The Himalayan countries of Bhutan and Nepal have the highest share of hydroelectric power in their energy consumption mix at 99% and 92%, respectively, in 2004.

Figure 2: Energy Mix in South Asian Countries



- India and Pakistan have the highest installed capacity of 131,435 MW and 20,356 MW respectively and is mainly through thermal power plants. This is followed by hydroelectric energy whereas installed capacity in other sources is negotiable.
- The electricity consumption per capita is highest for India and Pakistan followed by Sri Lanka whereas it is relatively low in other SAARC countries.
- Although India is the most populated country in the region only 40% of its population has access to electricity whereas 75% of the Sri Lankan people enjoy electricity facility

Country	Total Electricity Generated (Billion kWh)	% of Generation based on				
		coal	natural gas	oil	hydro	nuclear
India	576.5	78.30	3.60	1.20	12.80	3.40
Bangladesh	16.3	-	84.60	9.40	6.00	-
Nepal	1.96	-	-	1.00	99.00	-
Bhutan	1.86	-	-	-	100.00	-
Pakistan	72.4	0.40	34.3	36	26.2	3.2
Sri Lanka	6.6	-	-	53	47	-

- India: 78% power generation capacity coal based
- Bangladesh: 90% power generation natural gas based
- Pakistan: Oil and natural gas about 35% each
- Sri Lanka: Oil accounts for 53%, rest hydro
- Nepal and Bhutan: 100% hydro

Energy Crisis Prevailing in the Region:

- **Bangladesh** has capacity of 5,300 MW but about 4,400 MW is available. Since peak demand consistently exceeds 5,000 MW, there are pervasive power cuts and surges. Pervasive power outages robbed the country of 2% points of national growth while firms in metropolitan areas estimated losses of 11.7% of sales value, up from 3.4% percent in 2002.
- **Nepalese** could face as much as 14 hours of daily power cuts this winter due to: 1. Damage to lines that transmit power from India and 2. Low water levels in reservoirs that drive hydroelectric plants. The state-run utility

Energy Trade in South Asia

company is producing only about half the necessary electricity to satisfy demand at present. Some electricity imported from India is not enough to meet the shortage.

- **Pakistan** is facing a shortfall of over 4,000 megawatts. Oil prices and alarming levels in dams caused shortages in thermal and hydel Power. Recently cuts in electricity supplies to homes and businesses across the country ranged from two to 12 hours daily.
- **India** is currently ranked fifth in the world in terms of total installed electricity generating capacity, accounts for about 3.5% of the world total. Hydroelectric capacity represents about one-fourth of India's total installed capacity. India is currently ranked sixth-largest in the world with 3.7% of the world's installed hydroelectric capacity. India too faces electric shortage, Times of India reported last year "The government has said the country was facing a power shortage of 70,000 MW"
- **Sri Lanka** is facing severe power shortages and it has recently announced plan of 300-megawatt coal power plant. Shortfall of 200-megawatt would still persist. Consumers urged to reduce their consumption of electricity by at least 50 percent during a period of six months. Current water level in the reservoirs is insufficient to generate electricity and the drought situation was unlikely to change in the near future.

Trade in Energy: opportunities and needs in South Asia:

The economic growth of South Asia is becoming constrained by significant shortages in energy supply and unless corrective steps are urgently initiated and implemented it may be difficult to sustain the achieved and aspired growth rates. Fostering of cross border energy investments and promotion of regional energy trade in order to take full advantage of the energy resources available within the region and its neighborhood are important elements of the solution to this problem. This is being increasingly recognized both by the region's political leaders and its business community. Moreover throughout the region,

extreme poverty persists which is exacerbated by a lack of access to electricity. Despite apparent synergies and opportunities existing for cross border energy cooperation, the energy and power trade in the region is extremely low. In the energy sector the countries in the region rely on a significant level of imports. These fuel imports constitute about 18% of the total value of imports into the region. The import of fuel by India and Pakistan is now in the range of 20-21% of the value of their respective imports.

The South Asian region represents 22% of the world's total population comprising over one billion, of which 30-40% live below the poverty line of which only 40-50% have access to electricity. Despite the development, the countries of South Asian region are energy starved. To meet the growing energy requirements, energy trade between these countries is essential. But South Asia's current cross border energy trade is limited to Bhutan, India and Nepal. Recently, energy trade between Bangladesh, India and Pakistan has been proposed, in line with the construction of liquefied natural gas pipeline from Myanmar to India through Bangladesh, and Iran to India through Pakistan. These proposed energy trade projects, if implemented successfully, will contribute to integrate regional economies. The rationale for regional energy trade in South Asia is clear. Such widespread regional energy trade provides a win-win situation to all the participants and is a logical and rational public policy choice because of:-

The mismatch between energy demand growth and energy resource endowments: Relatively smaller economies (Tajikistan, Kyrgyzstan, Nepal, Bhutan, Myanmar, Turkmenistan) and Iran have hydropower or hydrocarbon resources far in excess of their energy demand. The remaining countries (India, Pakistan, Bangladesh, Sri Lanka and Afghanistan) have energy demand growth far outstripping domestic supply and in the foreseeable future the demand-supply gap would become wider unless the domestic supplies are supplemented by imports.

Implications of trade to energy security: Reliance on energy trade for meeting a part of the domestic demand can actually enhance national

Energy Trade in South Asia

energy security by diversifying energy forms and supply sources and lowering the cost of energy supply.

The substantial benefits to the smaller exporting economies: Energy exports could make dramatically significant contribution to the GDP growth of economies like Bhutan, Nepal, Myanmar, Tajikistan and Kyrgyzstan and enable their export led growth. For example, Bhutan's electricity export in FY2007 is expected to constitute nearly 25% of its GDP and 60% of its state revenues.

The significant relief from energy constraints to rapid economic growth: This is especially true in the importing economies, India, Pakistan and Afghanistan. For example, in India alone, the volume of unserved electricity in FY 2007 is estimated at 54,916 GWh valued at \$12.1 billion on the basis of the short term marginal cost in the Indian grid. The value of the corresponding industrial production foregone would be several times more.

The environmental imperatives: This is especially relevant for India which relies very heavily on domestic coal. Its carbon dioxide emissions will rise from 4% of the world total today to about 13% by 2030 unless low carbon strategies are adopted. Imported hydropower and natural gas would help in moderating this increase to some extent.

Climate change imperatives: Carbon emissions are increasing and Himalayan glacial resources are shrinking. The management of regional water resources and the use of other primary energy sources have to be optimized for the benefit of the region as a whole, and trade enables such optimization for the benefit of all.

Reduction of supply costs: Trade could reduce system development costs and enable lower cost supply. Nepal, for example, could dramatically reduce its cost of power supply (compared to its attempt to meet its demand by the expensive all hydro generation option) by optimizing its power system with sale of hydropower to, and import of thermal power from, India.

Cash flow implications: Often energy import options improve cash flow and enable postponement of lumpy and large domestic capital investment needs, to avoid crowding out other important investment needs (the classic make or buy choice).

Power and energy are major inputs that determine the speed and the nature of economic activities and growth in energy and power use is closely related to growth in industry. The fast growing South Asian region is well established on a high growth path, which has led to a rapid increase in energy consumption. In 2003, South Asia accounted for about 4% of the total world energy use up from 3.1% in 1993 (World Development Indicators, 2006). However, despite rapid growth in energy demand, the South Asian energy scenario is marked by low levels of per capita energy consumption, high energy intensity, and high levels of energy consumption per unit of GDP. The Energy Information Administration (EIA) estimates that South Asia's primary energy consumption showed an increase of 52% between 1993 and 2003.

Constraints in Energy Trade:

Although energy endowments differ among the South Asian countries, but energy trade in the region is low. Only India, Bhutan, and Nepal currently trade electricity. The national energy systems—gas and electricity networks—in the South Asian countries are largely isolated from each other. Consequently, optimal development of the region's internal energy resources is hampered and access to the significant energy resources in the neighboring countries denied, which increases the cost of energy supply and reduces energy security of the individual countries and of the region as a whole.

There is a wide range of factors which have until now inhibited the growth of intra regional and inter regional energy trade and the most important factor relate to the political and security situation prevailing in the region and its neighbors. Afghanistan is a key transit country squeezed between the other South Asian countries on the east and the Central Asian Republics and Iran on the west. The unstable political situation and

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armed conflicts in that country lasting for over three decades has been a major factor inhibiting energy trade between Central Asia and South Asia.

Power sector in the region is predominantly state owned. Till recently, participation of the private sector was generally limited to a number of generation projects with sovereign guaranteed cash flows.

Dearth of solvent utilities is a major constraint in energy trade. Power systems in the region operate in a supply constrained environment with a level of quality and reliability substantially lower than international utility standards. Load shedding and power outages are common during peak hours and during certain seasons of the year. Electricity tariffs and supply of utilities are used as vehicles of social policy in South Asian countries. Theft of power and nonpayment are extensive. Nonpayment of electricity bills by government entities have also been a significant problem.

The absence of infrastructure in the region by way of electrical interconnections and gas pipelines across the borders is a physical constraint to the energy trade. There is no special geographical reason for lack of interconnections between India and Pakistan and between India and Bangladesh. Such infrastructure constraints exist even within the large power systems of India, Pakistan and Bangladesh, the potential markets for imports.

High oil prices, cause of turmoil for oil importing countries resulting in Electric shortages. Countries with Hydro Power Plants, Congo - 99.7%, Sri Lanka - 60%, have also suffered from depleting water reservoirs due to draught. Nuclear power is not substantial.

Conclusion and the Way Forward:

Undoubtedly, there is a great potential for energy trade in the region involving petroleum products and power now and in the future. Trading in energy encompasses:

- Finished commodity (electricity, piped NG, LNG, petroleum products, coal etc.)
- Building common infrastructure
- Investing in common resource development

The necessity of energy security has led countries to source supplies from all over the world, effectively creating a single marketplace. In south Asia investment in power generation remains unexploited due to the issues of regulation and market access. Moreover, the lack of transparent electricity trading mechanisms underdeveloped energy transmission infrastructure has led to near negligible cross border energy trade. as Trade provides an opportunity to end mistrust, rivalry and cultural barrier that exist due to political divide.

Bilateral cross-border trade is a natural starting point and an important long-term feature of regional trade, even in well developed multilateral regional markets. It helps to develop physical infrastructure and economic relationships in a gradual fashion, allowing participating countries to adjust, develop institutions and experience, build confidence and mutual comfort, and minimize risks.

The countries of South Asian region are energy starved. To meet the growing energy requirements, energy trade between these countries is essential. However South Asia's current cross border energy trade is limited to Bhutan, India and Nepal. Recently, energy trade between Bangladesh, India and Pakistan has been proposed, in line with the construction of liquefied natural gas pipeline from Myanmar to India through Bangladesh, and Iran to India through Pakistan. These proposed energy trade projects, if implemented successfully, will contribute to integrate regional economies.

At the regional level, to fulfill the requirement Energy in south Asian some measures are being recommended, which will ultimately help in enhancing business activity in the region and will provide more connectivity among the SAARC member countries by enhancing their interdependence. Some deliberations are:

- Getting the people across the borders at all levels to discover that their common enemy is poverty and denial of social equity, and not political divide.
- Easing trade by abolishing procedural wrangling.

Energy Trade in South Asia

- Adopting unified tariff structures, procedures for trading and FDIs, fiscal policies etc.
- Promoting bilateral trade in petroleum products on long-term basis at private and state level.
- Promoting bilateral cooperation with Bangladesh and Bhutan, or Bangladesh and Nepal for electricity with Indian good will; and at the same time remove all the barriers that block the land connectivity between the North Eastern Indian and Eastern India through Bangladesh.
- India, Pakistan connectivity for trading power and for that they must join the negotiation table with commitment.
- Promoting exchange programs at technical and institutional levels for harmonizing norms and standards in energy technology as well as matters in regulatory and policy regimes, etc.
- Identification of common power projects (hydro and thermal) in the region with equity participation
- Identification of interconnecting transmission systems for making a regional power grid systems for transferring electricity; may be bilaterally or multilaterally
- Identification of trans-boundary natural gas pipelines serving the region, especially India, Pakistan and Bangladesh;
- Mobilizing technological and financial resources for exploration, development and production of hydrocarbon resources in the region
- Changing mindset for bringing change.

New

Avenues
for 2009

Initiatives for Year 2009 and Afar

The year 2009 has started with a lot of cynicism particularly in view of the Global Financial Meltdown operational since September 2008. The situation is likely to be afflicted particularly after the remarks of Mr. Pascal Lamy, Director General, WTO at World Economic Forum in January 2009 wherein he has anticipated bleak future of WTO negotiation and has feared that countries may apt protectionist policies. The effects of such initiatives may negatively impinge the pace of development of SAFTA. Therefore the first and foremost task of SAARC CCI is the continuation of its efforts to keep spirit for SAFTA alive.

Despite such dramatic changes around the global, SAARC CCI as the representative of Private Sector of the South Asian region is committed to move ahead positively. The focus will remain on three main areas i.e. institutional capacity building, promotion of economic liberalization, global partnerships through implementation of South Asian Chambers cluster for promotion of E-international trade.

The year 2009 will be a landmark period in the history of SAARC CCI as the foundation stone of its nine-storey building will be laid down coupled with the implementation of Strategic Planning for its refurbishment inclusive of HR policy/ Service Rules and other such initiatives, which will help bring level of SAARCC CCI at par with other regional counterpart organizations.

The SARC CCI Councils in various areas like Tourism, Construction Industry Environment, Textiles, Information Technology Tea Leather Industry, ICT, Small and Medium Enterprises, Transportation will be reactivated to practically move forward. The reactivation of these councils will help promote cooperation in these important sectors. In addition to that a Council on quality and Standards will also be established, which has become essential after the creation of South Asian Regional Standard Organization under the ambit of SAARC.

Political stability in the region is must for sustainable regional development. SAARC CCI as a true advocate will continue its efforts to promote peace for development. In view of the Islamabad and Mumbai incident, this issue has become a matter of prime concern.

Inclusion of services in SAFTA has broadened the sphere of activities of SAARC CCI. Particularly in view of some Research studies, which have quantified the level of cooperation to the tune of \$15 billion per annum has given momentum to promote cooperation in Education and Health, Hospitality and Tourism, Banking and finance. The President SCCI has floated an idea of

creating SAARC Brand University, which will help enhance contribution of region in the international trade.

SCCI also proposes continuation of customary efforts in form of discussions, conference, roundtables in domain of intellectual property rights, trade facilitation, NTBs and Para-tariff barriers, Investment and Labour Mobility in Trade Intensification, Youth entrepreneurship, harmonization of Custom Procedures, Tourism as a tool for regional economic integration, global outreach, membership drive for expansion of SAARC CCI activities, analytical reports and studies on issues, impeding growth of trade and economic cooperation in the region. The ultimate objective is to foster the efforts for regional integration.

Mr. Muhammad Iqbal Tabish
Secretary General, SAARC CCI



Mr. Muhammad Iqbal Tabish joined SAARC Chamber of Commerce & Industry (SAARC CCI) in the capacity of Secretary General on May 25, 2008 at Islamabad. His appointment was made during the last Executive Committee Meeting of SAARC CCI held at Lahore, Pakistan. Prior to this new assignment, Mr. Iqbal Tabish has served for the leading Public and Private Institutions at important positions. In the recent past, he was associated with Trade Development Authority of Pakistan (TDAP) as Unit Head (Research & information), WTO Cell and served the Federation of Pakistan Chambers of Commerce & Industry (FPCCI) in capacity of Director (R&D) for five years. Mr. Tabish is pursuing his PhD Program (Trade Economics) in one of the top-ranked HEC recognized Universities in Pakistan. He has authored a couple of books on Economic issues and has been a qualifier of Central Superior Services of Pakistan.

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 - Shivapur ➢ Shahapur ➢ Rajankollur
 - Madhavamantri ➢ SRD Katte ➢ Mandagere
 - Neria ➢ Chayadevi ➢ Sugur ➢ Sattegala
- Windmill Stations in Operation :
 - Jaiselmer (Rajasthan)
 - Chitradurga (Karnataka) ➢ Nargund (Karnataka)
- Hydel Project under implementation:
 - Manjanadka ➢ Dadupur
- Wind Project under implementation:
 - Donithanda
- Wind Projects in the pipe line in Karnataka :
 - DS Halli

- Hydel Projects in the pipe line in Karnataka :
 - Neria-II ➢ Kumaradhara ➢ Kalanja
 - Cauvery ➢ Kuruvalli ➢ Chayabagavathy
 - Belakavadi

CONTRACTS

- Establishment of 33/11 KV Sub-station (MESCOM)
- Establishment of 110/11 KV Sub-station (KPTCL)
- Execution for Improvement of Sub-Transmission and Distribution System in Bellary (APDRP Works)

WELFARE

- (**Bhoruka Welfare** – social service wing of Bhoruka Power)
- Upliftment of rural under-privileged through
 - Education ➢ Health Services
 - Empowerment of Women
 - Village development schemes



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